

Revisited

associated with youth, fun and...
dom. Watching Allen right for...
fun of it is dramatic.
Kopple does not think the...
money. Allen donated his...
Venice to the Venice opera...
which had burned down. There...
no narration, no voice-over...
up the works. The story is...
camera sees and the tape...
hears. There are hints but...
ation remains basically...
and you can only guess.
The luxurious hotel, they...
into are almost literally out of...
Have you ever seen a suite with...
own master bedroom and a...
pool. As the elegant and...
maître d' service the dinner...
been prepared to the suite's...
kitchen. Allen says when...
to Soho. Yet this is an...
reformed serial killer.
No other one-liner...
bleachers, no humming...
camera. This is somebody...
seriously involved with...
funny. He is not acting...
course, he acts so well that...
that impression.
At one point he says that...
directors often make the...
moving up. He goes up...
European films and that's...
makes them. "Maybe the...
peaks like the...
at making films that...
Kopple says that the...
ing documents...
cause a lot of...
ning goes...
never again...
pen. And the...
with his...
New York...
guessed...
movie. As...
on their...
his...
for the...
New York...

Mrs. Clinton Sees Cloud Of Scandal 'Dissipating'

Lewinsky's Mother Returns to Grand Jury For 2d Day of Testimony

By Brian Knowlton
International Herald Tribune

WASHINGTON — As a grand jury continued to hear testimony that could overwhelm Bill Clinton's presidency, Hillary Rodham Clinton predicted Wednesday that the scandal surrounding her husband would not evaporate but would "slowly dissipate over time."

A cloud of investigations and allegations continued to hang over the White House as Lewis Fox, a former uniformed Secret Service agent, said he once guarded the Oval Office for 40 minutes while the president and Monica Lewinsky, a White House intern at the time, were inside alone.

But in a pattern of vigorous counterattack that is becoming routine, a Clinton ally, the political consultant James Carville, said the former agent's account had holes in it. He added, "All that we know, if this man's memory is correct, is that he didn't come out the door that he let her in." (Page 3)

Mrs. Lewinsky's mother, Marcia

President races off a metaphorical cliff, but stays airborne. Page 3.

Lewis returned Wednesday for a second day of testimony before a grand jury here investigating the allegations that Mr. Clinton had an affair with Ms. Lewinsky and then urged her to deny it in a sworn affidavit.

A much-anticipated appearance before the grand jury by the former intern, scheduled for Thursday, now appears to have been delayed a second time by agreement with the independent counsel, Kenneth Starr. The reason was unclear.

Mr. Clinton spoke Wednesday at the State Department about NATO enlargement; he did not address the Lewinsky issue. He has declined to address details of the Lewinsky case, citing his lawyers' advice.

Mrs. Clinton, however, has been a highly visible defender and is among her husband's most stalwart advocates since reports emerged of the alleged affair, which have left the White House constantly on the defensive.

Responding Wednesday to gently worded questions from a small group of reporters, Mrs. Clinton said she expected the storm of attention to recede slowly.

"I don't anticipate that this will evaporate," she said. "But I anticipate it will slowly dissipate over time under the weight of its own insubstantiality."

She added that the sharp rise in opinion poll support for her husband since the scandal exploded did not surprise her. "Americans are smart, fair-minded, savvy people," she said.

— She added, "We've already seen how much of this charge and countercharge does not withstand scrutiny."

Mrs. Clinton said her husband was bearing up well under the allegations

See CLINTON, Page 6

Has America Gone Giddy Over the Stock Market?

By Edward Wyatt
New York Times Service

NEW YORK — After three years of rapidly rising stock prices, American households have more of their fortunes invested in the stock market than at any time in the past 50 years — and perhaps ever.

Even that traditionally most-prized possession of Americans, the home, has taken a back seat to stocks for the first time in three decades.

An analysis by The New York Times of data compiled by the Federal Reserve System shows that stock investments made up 28 percent of American households' wealth — a measure that includes homes, cars and other tangible assets as well as financial assets — at the end of September, the most recent period for which data are available. Stocks accounted for 43 percent of financial assets, which include bank accounts, mu-

Newsstand Prices

Brazil	1,000 B.R. Reals	55 c	
Canada	C.S. 1.00	Nigeria	125.00 Naira
Denmark	14.00 D.Kr.	Oman	1,250 O.R.
Finland	12.00 F.M.	Qatar	10.00 Q.R.
Ghana	0.85 G.P.	Rep. Ireland	1.00 I.R.
Great Britain	5.00 S. Africa	10 S.R.	
Japan	1,250 J.D.	U.A.E.	10.00 D.H.
Korea	1,000 S.H.	U.S. M.L. (Eur.)	\$1.20
Kuwait	700 K.W.D.	Zimbabwe	2.00 Z.D.

See INVESTORS, Page 6



Picabo Street flying over the final jump Wednesday to win the Super-G.

U.S. Skier on the Mend Finds Super-Giant Gold

By Michael Wilton
Washington Post Service

NAGANO, Japan — It's not just that the so-called experts did not expect Picabo Street to ski well enough to win a medal at these Winter Olympic Games. Neither did she.

Street, an American whose career has been full of surprises, pulled off perhaps the biggest surprise through five days of competition here when she won the Olympic gold medal in the women's super-giant slalom.

Street, from Sun Valley, Idaho, won a silver medal in the women's downhill in the 1994 Olympics but missed much of

the 1997 season because of a knee injury.

This week was the first time she had even raced this course because she missed the '97 World Cup downhill on the same slopes in Hakuba while recovering from that injury. A concussion she suffered on Jan. 31 while racing in Sweden in preparation for these Games left her feeling "fuzzy" as recently as Sunday.

She didn't start well on what turned out to be her gold-medal run, but used it to her advantage.

"I made a mistake about midway

See STREET, Page 20

Clinton Rebuffs Iraqi Offer Of Limited UN Inspections

The Drums of War Forces Almost in Place

By Steven Erlanger
New York Times Service

WASHINGTON — For all the talk of "time running out," the Clinton administration has been beating the drums of war very slowly in the Iraq crisis, producing what can seem like a long, even tortuous, exercise in confusing the American public.

But there are reasons for the administration's deliberate pace, senior U.S. and NATO-country diplomats say. First, the

NEWS ANALYSIS

military force for an effective strike must still be put into place and that will take at least another week.

Most important, however, it is the credible threat of force that traditionally produces diplomatic progress. Some administration officials say the chances for a diplomatic solution have been increasing, however slightly, as the prospect of military action comes closer.

"We really want a diplomatic solution," a senior American official said. "We will give a chance to play out diplomacy, while at the same time we position our forces to take action. No one is rushing into this."

Military action entails higher risks, and is no guarantee that Saddam Hussein will not be able to threaten his neighbors with weapons of mass destruction, which has been the administration's goal. Continued and unconditional inspections would do a better job, and are the core demand for any diplomatic settlement.

Military force has other pitfalls as well. A coalition against Iraq is harder than ever to build. The Gulf War ended seven years ago, the Middle East peace process is stagnating and Iraq has done nothing recently as egregious as invading Kuwait.

The task of coalition-building is made even more difficult by conservative Arab states like Saudi Arabia, whose leaders detest Mr. Saddam but recognize the appeal of his challenge to Washington and Israel among the wider Arab population. Private support coupled with public equivocating leaves the United States looking more isolated in its policy than it actually is, administration officials insist.

The visible daily buildup of American and British preparations for war in the Gulf, along with new support from

Reuters

WASHINGTON — President Bill Clinton, effectively rejecting another Iraqi effort to defuse the crisis by allowing UN inspectors into restricted areas under certain conditions, said Wednesday that President Saddam Hussein could not put limits on UN inspections of suspected weapons sites.

"He must let the weapons inspectors back with full and free access to all suspect sites," Mr. Clinton said. "If he will not act, we must be prepared to do so."

Mr. Clinton's remarks, couched in careful language that contrasted with more bellicose statements by U.S. officials in recent weeks, appeared to rebuff an offer made earlier Wednesday by the Iraqi deputy prime minister, Tariq Aziz, to open eight Iraqi presidential palaces to inspections but only under the supervision of the UN Security Council.

The U.S. regional commander said the forces in the Gulf would be ready to strike in about a week, and defense officials in Washington said 19 more attack planes and bombers would fly there from U.S. bases in the next two days.

Iraq offered to open eight "presidential sites" for inspection, but only under the supervision of representatives of the UN Security Council — and not to the regular inspectors of the UN Special Commission, or UNSCOM, whom it calls "the adversary."

"We all hope we can avoid the use of force, but let's face it, in the end that is up to Saddam Hussein," Mr. Clinton said in a speech at the State Department.

Earlier, the White House spokesman, Michael McCurry, said: "The UN Special Commission needs free and unfettered access to those sites that it needs to investigate to determine what capacity Iraq has or could have to weapons of mass destruction."

He said to reporters: "It's not up to Iraq to set the conditions for those inspections. It's up to the United Nations to do the work as the United Nations sees fit."

The Iraqi foreign minister, Mohammed Said Sahhaf, disclosed details of the proposal during a meeting with reporters in Cairo. The plan, agreed to with Russian mediators, also was later set out by Mr. Aziz in an interview with CNN.

See IRAQ, Page 6

What to do about Saddam? News Analysis, Page 6.

Fallen Hero's Misery Shames Israel

Immigrant Soldier's Poverty Came to Light Only After He Was Killed

By Serge Schmemmann
New York Times Service

TEL HASHOMER, Israel — Fighting a losing battle against sobbing along the coffin of her fallen brother, Olga Rappaport addressed his comrades in Russian: "He was very happy to serve in your army. I want all of you to make it home alive. Don't kill your parents, your brothers and sisters."

The slight, 22-year-old woman stopped there, unable to go on. When her words returned in Hebrew, many of the purple-beretted combat soldiers, some of them fresh from the combat zone of southern Lebanon, swallowed hard and looked away.

Until Sergeant Nikolai Rappaport was killed by a blast of Hezbollah shrapnel in the neck on Saturday, none of them knew that the 23-year-old recent Russian immigrant had this sister, or that his father, Ilya, 62, had been unemployed for months, or that they lived in poverty in a tiny room in a tin-roofed storehouse in the seedy Shapira district of Tel Aviv.

"Two foreigners stood there, iso-

lated, in a sea of purple army berets of the Givati unit," Sina Kadmon wrote in Ma'ariv, another daily. "Even his death failed to incorporate them in our society."

Unspoken at the funeral, but understood by all present, was the fact that had Ilya Rappaport decided to have the funeral in Israel, his son would have been buried outside the cemetery walls, because by the Orthodox Jewish law in force, he was not Jewish, since his mother was not.

The story of the Rappaports seemed to remind Israelis how little they know about the travails and lives of the hundreds of thousands of Russian Jews who have come in the last decade, especially those like Ilya Rappaport who have been too old or too limited in their training to integrate themselves into the harsh, fast-paced Israeli life.

"We stand here embarrassed that we did not see, did not hear, did not ask and did not know how difficult it was for your family," said Sergeant Rappaport.

See ISRAEL, Page 6



Olga Rappaport following the flag-draped coffin of her brother, Nikolai.

Jakarta's Plan To Peg Rupiah Powers a Rally Across Region

By Thomas Crampton
International Herald Tribune

BANGKOK — Despite the opposition of the World Bank and the doubts of many economists, Indonesia confirmed Wednesday that it intended to stabilize its battered currency by pegging it at a fixed rate.

The announcement that Indonesia would move to a system known as a currency board added momentum to a three-day rally of Asia's beleaguered currencies.

Economists warned, however, that the currencies would almost certainly retreat once again as the region heads into the next phase of economic turmoil.

"We are now in the closing pages of Chapter 1 of this crisis," said Jan Lee, chief economist at Hongkong and Shanghai Banking Corp. "The worst of the liquidity crisis is over, and we are entering Chapter 2: economic adjustment."

Mr. Lee and other economists said the next phase would be painful and include:

- Sharp falls in economic growth and a slew of corporate bankruptcies.
- Rising mass unemployment and the threat of increased social unrest.
- High inflation.
- Continued concern about a competitive devaluation of China's currency, the yuan, which could set many currencies in Asia tumbling anew.



Policemen in Jakarta blocking a protest against high prices Wednesday.

crisis has been engineered to smash our economic development of the past 30 years," he said. (Page 4)

On Wednesday, the rupiah made a 6 percent gain against the dollar on top of the 30 percent surge it made a day earlier to close at 7,020 rupiah to the dollar.

The gains came as Indonesia's finance minister, Mar'ie Muhammad, confirmed that Jakarta was "preparing the supporting frameworks, including the regulations" for a currency board that would peg the rupiah to the dollar.

Other regional currencies also rose, including the Thai baht, which surged nearly 9 percent to 41.75 baht to the dollar; the Malaysian ringgit, which jumped almost 5 percent to a three-month high of 3.38 ringgit to the dollar, and the Philippine peso, which rose 1.5 percent to 48.50 pesos to the dollar.

See JAKARTA, Page 6

AGENDA

U.S. Soccer Team Pulls Off Miracle

Preki Radosavljevic's goal midway through the second half gave the United States one of its greatest soccer victories ever Tuesday night, a 1-0 triumph over defending World Cup champion Brazil at the Los Angeles Memorial Coliseum.

Inserted into the Concacaf Gold Cup semifinal against Brazil in the 60th minute, Radosavljevic made his first touch a historic one. It was the U.S. team's first victory over Brazil in nine meetings. And Radosavljevic's goal was the first for the United States against Brazil in 68 years. Page 18.

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The IHT on-line: www.iht.com

The Dollar			
New York	Wednesday 4 P.M.	previous close	
DM	1.619	1.6072	
Pound	1.6325	1.6258	
Yen	123.51	123.20	
FF	6.0955	6.0905	

The Dow			
Wednesday close	previous close		
+18.94	8314.55	8295.51	

S&P 500			
Wednesday 4 P.M.	previous close		
+1.00	1020.01	1019.01	

Frugal Health Care / 'Medical Nationalism'

Economic Trauma Plagues Indonesian Hospitals

By Keith B. Richburg
Washington Post Service

JAKARTA — At the Cipto Mangunkusumo Central Hospital here, doctors found they no longer could afford the specially treated plastic bags that hold blood for transfusions. So the hospital director asked staff members to scrounge local markets for old-fashioned milk bottles that could be washed out and used instead.

In the hospital's operating rooms, too, frugality is the watchword: Expensive imported thread is out, catgut is in. And surgeons are being told to make more economical use of the thread when stitching up a patient.

"We have to use less expensive materials and supplies," said Herymansyur Kartowisastro, the hospital's deputy director for medical care. "We are also asking the surgeons not to use so much."

State-run hospitals such as this sprawling facility — one of the largest in the Indonesian capital — are searching for ways to tighten their belts and adjust to the new reality.

They also are finding ways to cut costs in the kidney dialysis ward. The \$10 artificial kidney tubes no longer are thrown away after each treatment but are rinsed and reused as many as eight times for the same patient.

Ahmad Djojodiguno, the hospital director, refers to these cost-saving measures as "medical nationalism," his response to what is rapidly becoming a health-care crisis in the country.

Indonesia is struggling to reverse a debilitating economic crisis that has seen its currency lose at least 70 percent of its foreign-

exchange value since summer and the price of imported goods — including medical supplies, equipment and drugs — soar beyond reach. The economic disruption has critically affected the health-care system, with the stocks of some medicines running low and some local pharmaceutical companies suspending production.

"With some creativity, we can overcome the problem," Mr. Ahmad said. "We have to innovate."

One innovation is employed when a patient first enters the examining room. Younger doctors — trained in the recent years of Indonesian affluence — became accustomed to ordering a battery of tests and X-rays before making a diagnosis. Now they are instructed to be very selective in the tests they order and to take only those X-rays that are essential.

Because the hospital is passing on more costs to patients, Mr. Ahmad has instituted several "value packages" of tests and X-rays at reduced prices — an idea he credits to the McDonald's restaurant chain. "It's like the advertisement for McDonald's on television," he said. "We have value packs, too."

For Mr. Ahmad, such belt-tightening is nothing new; he was trained as a physician during Indonesia's leaner times, when supplies were short and hospitals made do on bare-bones budgets.

"We have to return to the difficulties we had in the 1960s and '70s," he said. For intravenous feeding and blood transfusions, he said, "I remember using the old bottle with the tubing. I had to rinse it out and reuse it. Now we have to go back to that again."

The problems here at Cipto Mangunkusumo

Hospital — and the search for creative ways to cut costs — have become commonplace across the country. Last week, the English-language Jakarta Post reported that Dr. Sutomo Hospital, a large public facility in Surabaya in eastern Java, was setting up a center for traditional medicine as a way to combat the rising cost of imported drugs.

Earlier local newspaper reports said four people had died on the island of Bali in January because they could not continue their expensive kidney dialysis treatments.

Here in Jakarta, Padjji Rahardjo, a physician who runs Cipto Mangunkusumo Hospital's dialysis ward, said the cost of one five-hour treatment had shot up to about 500,000 rupiah (\$52) from 150,000 rupiah — all because the cost of imported materials had risen due to the rupiah's plunge. Regular patients complained vigorously about the cost, he said, but most have no alternative because they depend on the weekly treatment to survive.

THE BIGGEST PROBLEM, health workers say, is the high cost of medicine — chiefly imported drugs, but also locally manufactured medicines. At the Medica pharmacy in the center of Jakarta, Ane, the assistant manager, said she had seen the prices for most drugs double since the economy still bought the medicines they needed but "little by little" instead of in large quantities. For those who can no longer afford their usual medicine, Miss Ane sells them cheaper generic brand drugs.

The situation is the same at the nearby Arics

pharmacy on Peanut Tree Road. There, Naomi, the assistant manager, said the price of one common antibiotic, amoxicillin, had jumped to 1,000 rupiah per tablet from 400 rupiah. A container of Celestamine, an allergy cream, costs 19,000 rupiah, up from 7,000.

Endang Suherman, a high school teacher with two young children, was waiting just outside the pharmacy of Cipto Mangunkusumo Hospital, where his father was receiving emergency treatment for an asthma attack. He had just purchased his father's usual medicine, which used to cost 10,000 rupiah but now costs twice that amount. He also needed to buy a syringe, but the hospital pharmacy was sold out.

"It's extremely expensive," he said. "My father is on a mission. I'm just a civil servant with a government salary."

The president of the World Bank, James Wolfensohn, announced during a visit here last week that the lending agency would be providing extra funding to help Indonesia purchase drugs and basic medical supplies for its public hospitals. Mr. Wolfensohn said the more than 200 Indonesian pharmaceutical companies rely on imports for 90 percent of their materials, and he called the problem critical.

Health Minister Sujudi said Monday that the government would begin importing the raw materials needed to make generic medicines, as well as other medical supplies, at a sub-



Dialysis at Cipto Mangunkusumo, where patients use the same artificial kidney tube up to eight times.

sidized exchange rate. Mr. Sujudi said Indonesia had enough medicine in stock to last just four months, and enough raw materials for just two months.

For doctors trying to cope with the crisis, the help cannot come soon enough. "It's hard," said Kartowisastro, Cipto Mangunkusumo's deputy director. "It's hard. We are optimistic. But we don't know for how long."

Thousands Are Trapped In Sierra Leone Fighting 1,400 Sail to Guinea, but Many Can't Escape

Agence France-Press

GENEVA — Thousands of civilians are trapped in the Sierra Leonean capital, Freetown, a peninsula city cut off from the mainland by fighting between the junta and Nigerian-led forces, a Red Cross spokesman said Wednesday.

About 1,400 people have fled to the Guinean capital, Conakry, aboard small boats, braving a 10-to-12-hour crossing, according to Paul Stromberg, a spokesman for the UN High Commissioner for Refugees.

Arriving refugees said that thousands more wanted to flee to Conakry, which lies about 150 kilometers to the northwest of Freetown along the West African coast.

Shells have hit residential areas in Freetown despite repeated pleas to combatants not to fire blindly or to target civilians, or use them for any military purpose.

The refugee agency spokesman said many people wanted to flee Freetown but could not. "Whether it's the insecurity or lack of boats, we don't know," Mr. Stromberg said.

The refugee agency has set up an intake center at Forecariah, Guinea, about an hour from Conakry, with a capacity for 15,000 to 20,000 refugees.

The Nigerian-led intervention forces seeking to overthrow the military junta in Freetown pledged two weeks ago not to fire on Red Cross facilities, where 68 people are being treated for injuries.

At least 50 people were reported killed in the fighting in Freetown, and another 50 were drowned in a boat that capsized as they tried to flee, the police to the north of the capital said.

■ A Determined Nigeria

James Rupert of The Washington Post reported earlier from Abidjan, Ivory Coast:

Nigerian troops and Sierra Leonean tribal militias pressed a seventh day of attacks on Sierra Leone's military government Wednesday in their most determined effort so far to topple the junta.

Nine months after the Sierra Leonean military overthrew President Ahmad Tejan Kabbah, Nigeria appears to have brushed aside the preference of other

West African states for continued diplomatic efforts to restore civilian rule. Nigerian troops, who are in Sierra Leone as part of the West African peacekeeping force known as Ecomog. The Nigerians have been trading artillery barrages and rifle fire with Sierra Leone troops and guerrillas.

Nearly 40 years after independence from Britain, Sierra Leone is one of the world's poorest nations. Last May, troops deposed Mr. Kabbah and formed a coalition military government with their erstwhile enemies, a rebel force called the Revolutionary United Front.

In October, West African states, led by Nigeria and backed by international sanctions against the junta, brokered an agreement under which the military government promised to hand power back to Mr. Kabbah by April.

But the deal never got off the ground. A planned cease-fire failed, with fighting in rural areas escalating in recent weeks between the junta forces and tribal militias called *kamajors* that support Mr. Kabbah. The army accused the *kamajors* of provoking the fighting and refusing to disarm, as it had promised in the peace deal.

The sustained fighting around Freetown, which each side accuses the other of starting, began Feb. 5.

But Ecomog's Nigerian chief of staff made it clear Monday that the force's commanders were seeking a major military victory to weaken or overthrow the junta.

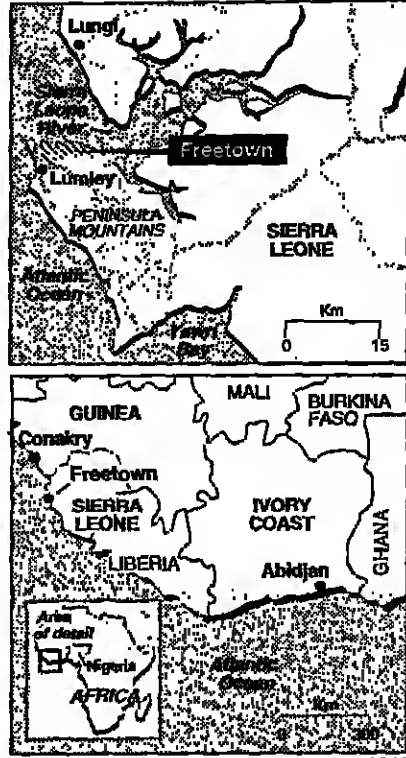
"As I am talking to you, our troops are moving. We are not far away from the city center," Brigadier General Abdul One Mohammed said at a news conference in Lagos.

"It is an opportunity to bring sanity to the system," he said.

Freetown sits between a range of steep hills to the south and east and the sea to the west.

The Nigerian troops are approaching the peninsula from the east, with fighting reported along the main roads and in the hills.

Journalists in Freetown have been unable to reach combat areas but said a warplane, presumed to be Nigerian, bombed the main government TV and radio transmitter Monday, leaving the



structure flames. Freetown, which has been crippled economically since the coup and the imposition of sanctions, is virtually shut down, with few vehicles moving and little food available in markets, according to residents reached by telephone.

They said residents of combat areas have walked to other parts of the city carrying their belongings, to sleep wherever they can.

Corrections

The number of jobs that California officials predict could be lost because of the Asian economic slowdown was misstated in Wednesday's editions. The estimate is 39,000 jobs statewide.

An article about relations between the European Union and Israel in Friday's editions misstated their trade position. After deducting the import of cut diamonds from Antwerp, Israel has a trade deficit with the EU.

An article Friday about Zimbabwe referred to the fight that black liberation forces waged against Britain to gain independence. The war was waged against the forces of the white-minority colonial government of what was then Rhodesia.

TRAVEL UPDATE

France Ratifies Anti-Pollution Plan

PARIS (Reuters) — The French cabinet approved on Wednesday anti-pollution measures that will favor owners of newer, environmentally friendly vehicles.

The government intends to send green stickers to people with approved cars that would allow them to drive during pollution alerts. Curb will be imposed on other drivers when pollution hits the highest alert, level three. Approved vehicles will include those made after 1993, when catalytic converters became mandatory, or those powered by electricity or liquid or natural gas.

Uffizi Gallery to Reopen Rooms

FLORENCE (AFP) — The Uffizi Gallery is reopening this

week nine rooms damaged by a Mafia bomb explosion in May 1993, the city hall said Wednesday. Two rooms, notably containing paintings by Titian, were opened Tuesday; while the other seven, displaying paintings by Veronese, Tintoretto and non-Italian masters, were to reopen Thursday.

Delta Air Lines is seeking authorization from the U.S. government to operate six nonstop flights daily to three Japanese cities. The carrier wants to offer flights from Atlanta to Tokyo starting June 3 and from Portland, Oregon, to Osaka and Fukuoka starting Nov. 1.

Northwest Airlines will offer daily flights from Osaka, Japan, to Taipei starting April 5.

Singapore's tourist arrivals are expected to fall by 8 percent to 10 percent this year, after a 1.3 percent decline last year, because of the currency turmoil in East Asia. (Bloomberg)

WEEKEND SKI REPORT

Resort	Depth	U	Mts.	Res.	Snow	Last	Comments
Feet							
Andorra Soldeu	50	95	Good	At	Pack	32	everything open, good snow
Aschberg Ischgl	30	120	good	hard packed	21/1		all open, still mostly good
Kitzbuhel	7	90	fair	Ver	2/1		3000 ft. open, everything still
Chamonix	85	110	good	Open	Ver	2/1	all open, still good overall
Mayrhofen	5	60	fair	Closed	Pack	2/1	south facing slopes still after lunch
Obertauern	80	170	good	hard packed	32		all open, snow holding up well
Seefeld	40	85	fair	Ver	2/1		north facing slopes, snow holding up well
St. Anton	40	85	fair	Ver	2/1		north facing slopes, snow holding up well
Garmisch	100	115	Good	Open	Pack	102	all open, a clearing of new snow
Whistler	70	200	Good	Open	Pack	102	everything open, very good
France Alps d'Huez	80	250	Good	Open	Ver	2/1	7000 ft. a.s.l., some snow after lunch
Les Arcs	115	200	good	stuffy	Pack	2/1	7000 ft. a.s.l., slopes still in good
Avoriaz	120	150	good	stuffy	Ver	2/1	all open, everything still in good
Chamonix	90	180	good	stuffy	Pack	2/1	all open, everything still in good
Courchevel	105	110	Good	Open	Ver	2/1	6500 ft. open, good snow 2000m
Les Deux Alpes	80	230	good	stuffy	Ver	2/1	good snow, good snow 2000m
Flaine	80	210	good	stuffy	Ver	2/1	all open, good snow 2000m
Megeve	100	150	good	stuffy	Ver	2/1	all open, good snow 2000m
Méribel	85	105	fair	stuffy	Ver	2/1	all open, good snow 2000m
La Plagne	110	190	good	stuffy	Ver	2/1	all open, good snow 2000m
Serre Chevalier	105	235	Good	Open	Ver	2/1	good snow, some snow after lunch
La Tignes	120	150	good	stuffy	Ver	2/1	all open, good snow 2000m
Tignes	105	230	good	stuffy	Ver	2/1	all open, good snow 2000m
Val d'Isère	85	230	good	stuffy	Ver	2/1	all open, good snow 2000m
Val Thorens	110	250	good	stuffy	Ver	2/1	all open, good snow 2000m
Germany Garmisch	15	185	good	stuffy	Ver	2/1	3000 ft. a.s.l., good snow at altitude

WEATHER

Europe		Forecast for Friday through Sunday, as provided by AccuWeather.		Asia					
Country	High	Low	High	Low	Country	High	Low	High	Low
Algeria	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
Austria	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
Belgium	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
France	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
Germany	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
Italy	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
Netherlands	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
Spain	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
Switzerland	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
UK	10/14	11/22	10/14	11/22	Algeria	10/14	11/22	10/14	11/22
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THE AMERICAS

An Adviser's Metaphor: Clinton as an Airborne 'Roadrunner' Coyote

By John F. Harris
Washington Post Service

WASHINGTON — President Bill Clinton, one of his advisers said this week, is a little like the coyote in the old "Roadrunner" cartoons. He has raced off the cliff, but managed for a moment to keep running on air.

The point, as this aide explained it, is that the coyote did plummet eventually. And many other Clinton advisers, both inside and outside the White House, acknowledge they have the same fear.

Among the Clinton inner circle there is widespread satisfaction — and no small amount of surprise — at how well the short-term strategy crafted by Mr. Clinton's lawyers and political team in the first days of the Monica Lewinsky controversy has succeeded.

By turning away questions, having his wife, Hillary Rodham Clinton, and lieutenants attack the Whitewater independent counsel, Kenneth Starr, and continuing his schedule as though all was normal, Mr. Clinton is prospering politically during the gravest legal threat he has faced during his presidency.

But many Clinton advisers acknowledge that their success in plowing through the frenzied first days of the controversy does not mean they have a long-term strategy. Instead, these people say,

White House damage control remains an improvisational, day-to-day affair.

Many advisers, who said they would share their views candidly only on a not-for-attribution basis, expect the next critical moment to come when Mr. Starr seeks to hear from Mr. Clinton directly about allegations that he carried on a sexual relationship with the former White House intern and then urged her to lie about it.

So far, Mr. Starr has not asked Mr. Clinton to give a deposition or appear before the grand jury that has been hearing testimony on the allegations. But several Clinton advisers inside and outside the White House say they fully expect such a request — possibly as early as this month — and that it will force Mr. Clinton to deal with the controversy in ways he has so far avoided.

As a practical matter, several advisers said Tuesday, there is little chance Mr. Clinton could refuse to appear without antagonizing a public that, according to most polls, has overwhelmingly given Mr. Clinton the benefit of the doubt. But once Mr. Clinton gives a story to Mr. Starr and a grand jury, there will be overwhelming pressure for him to start giving some answers to the public, some advisers say.

So far, he has snubbed such detailed questions as whether and how often he met and called Ms. Lewinsky, gave her gifts, or discussed the af-

fidavit she gave in the Paula Jones sexual harassment suit.

"This is driven by public opinion, and if that changes the strategy will change," said one Democrat who speaks regularly with Clinton aides.

Public opinion has already figured critically in Mr. Clinton's response. Prior to last week's barrage by Clinton lawyers and various aides about alleged leaks by Mr. Starr, White House aides were already in possession of data by a presidential pollster, Mark Penn, showing overwhelming public sentiment for prosecuting Mr. Starr if it is shown that he violated confidentiality rules, according to Democratic sources.

In a news conference last week, Mr. Clinton cited confidentiality rules in explaining why he could not answer questions about his relationship with Ms. Lewinsky. Earlier this week, a White House spokesman, Joe Lockhart, acknowledged that, while there is a gag order in the Paula Jones case, there is no legal bar to Mr. Clinton's telling his story about Ms. Lewinsky.

Already, among some White House staff members and outside Democrats who consult with the White House, several of whom have spoken directly with Mr. Clinton, there is open speculation about what one called an "alternate story line." This is a way that Mr. Clinton, when the time comes, can offer a benign explanation

for the close relationship he apparently enjoyed with Ms. Lewinsky.

Under one scenario being floated by various Democrats close to the White House, Mr. Clinton could try to explain the high-level attention that Ms. Lewinsky got from Mr. Clinton and his close friend, Vernon Jordan Jr., by noting that Ms. Lewinsky was close to a prominent fund-raiser, Walter Kaye, and therefore merited special care.

Under another scenario, which some Democrats said they have urged the president and his advisers to articulate, Mr. Clinton would stick by his story that there was no sexual involvement with Ms. Lewinsky but acknowledge that he was wrong to get so close to her without understanding that their relationship would be subject to question by outsiders.

One Democrat who consults with the White House on political matters said it was "perfectly plausible" that Mr. Clinton might have heard that Ms. Lewinsky was spreading fantasized stories about their relationship. Knowing that his reputation would make many people inclined to believe her, this person asserted, Mr. Clinton may have taken pains to meet with her last December and instructed Mr. Jordan to help her find work.

So far, none of these exculpatory story lines has been offered on anything like an official basis by the White House. But several advisers say this

is a matter of time, despite the preference of Clinton lawyers that he stay silent as long as possible.

"Look, at some point he's going to have to tell his story and explain himself," said one Democrat who consults frequently with the White House.

The danger, several advisers said, is that new facts will emerge that Mr. Clinton could not explain innocently, and would lead people who have reserved judgment so far to conclude that he lied in his public denials or under oath. While some advisers think the public is willing to accept a measure of dishonesty on sexual matters, others said they fear that conclusive proof of lying still has the potential to destroy his standing.

Speaking with students at Harvard University, Michael McCurry, the White House press secretary, acknowledged as much. "If it turns out what the president has said has not been fair and square with the American people, that has enormous implications."

But Mr. McCurry went on to say that the stakes were equally high for those who have reported on the allegations.

"If it turns out that much of what has been reported in this environment ends up being not true, the damage that's been done to the institution of the press," he said, "will be grievous."

Helms Stuns Albright With Turnabout on Foreign Policy

By Norman Kempster
Los Angeles Times

WASHINGTON — The chairman of the Senate Foreign Relations Committee, Jesse Helms, in a pointed exchange with Secretary of State Madeleine Albright, has said he intends to stall key U.S. foreign policy legislation unless the White House yields to Congress on an unrelated abortion issue.

Mrs. Albright warned that the impasse was forcing her to conduct foreign policy "with one hand tied behind my back." But Mr. Helms insisted Tuesday that the administration was responsible for the deadlock, and he called for new talks, possibly including President Bill Clinton, to "work something out."

The conservative North Carolina senator said Congress was unlikely to approve a compromise bill to pay overdue U.S. dues to the United Nations, increase by \$18 billion the U.S. line of credit for the International Monetary Fund, and recognize the State Department without an agreement on the abortion issue.

The UN, IMF and reorganization legislation was described by Mrs. Albright as the most important piece of unfinished foreign policy business on Capitol Hill. The bill stalled last year when abortion opponents in the House attached an amendment prohibiting U.S. contributions to international family planning organizations that use their own funds to perform or suggest abortions abroad.

Mr. Clinton threatened to veto the bill if the abortion language was included.

Mrs. Albright had regarded Mr. Helms as an ally on the issue before their exchange during a committee hearing Tuesday. She seemed shocked when he asserted: "You're not going to get any United Nations money. You're not going to get the reorganization."

Mrs. Albright said she thought Mr. Helms had agreed that the UN, IMF and reorganization plans were too important to be jeopardized by the abortion fight. She also reminded him that he had helped write legislation that was sidetracked by the abortion dispute.



Secretary Albright appearing before Senator Helms's committee.

"I stood with you last year," Mr. Helms said. "And I got fussed at all across the country by people who thought I had sold out. Well, I hadn't sold out."

The UN and IMF issues are crucial to administration foreign policy goals. The United States is about \$1 billion behind on its dues at the United Nations, a fact that has subjected Washington to ridicule abroad. In addition, according to administration officials, the nonpayment has damaged U.S. efforts to use the United Nations to advance U.S. priorities such as the destruction of Iraq's weapons of mass destruction.

"Mr. Chairman, this issue is not complicated; it is simple," Mrs. Albright said. "The best America is a leader, not a debtor. Let us act quickly to put our UN arrears behind us, restore America's full influence within the UN system, move ahead with UN reform."

But Mr. Helms, an outspoken foe of abortion, told Mrs. Albright: "There may not be swift approval of IMF and UN funding, even if you have the votes for it, so long as the administration

continues to reject concessions made by the House last year."

■ Rubin Presses Congress

International financial institutions like the International Monetary Fund, World Bank and regional development banks are reforming to meet U.S. concerns and should be supported, Treasury Secretary Robert Rubin told Congress, Bloomberg News reported.

Continuing a battle to win funding for the IMF and related institutions, Mr. Rubin said the organizations provided "an enormous return for the American taxpayer" by helping build free markets and free trade, and helping contain financial crises like those in Asia.

Mr. Rubin's remarks coincided with the opening of a campaign by a group of business and political leaders led by former Presidents Jimmy Carter and Gerald Ford to persuade Congress to approve IMF funding and preserve the administration's ability to help foreign economies through the Treasury Department's Exchange Stabilization Fund.

A Clinton-Lewinsky Meeting Reported

Ex-Secret Service Agent Says the 2 Were Alone in Oval Office in 1995

By Susan Schmidt
Washington Post Service

WASHINGTON — Monica Lewinsky spent part of a weekend afternoon in late 1995 alone with President Bill Clinton in the Oval Office, according to a retired Secret Service officer.

Mr. Clinton testified last month that he did not recall ever being alone with Ms. Lewinsky, either while she was employed at the White House or later at the Pentagon, except perhaps on very brief occasions when she dropped off papers in his office, according to sources familiar with Mr. Clinton's testimony.

The former uniformed Secret Service officer, Lewis Fox, said in an interview Tuesday that Ms. Lewinsky, then a White House intern, spent at least 40 minutes alone with Mr. Clinton while Mr. Fox was posted outside the Oval Office door. She had arrived with papers for the president, he said, and Mr. Clinton instructed Mr. Fox to usher her into his office.

Mr. Clinton was questioned in a closed-door deposition Jan. 17 in the Paula Jones sexual harassment case about whether he had sexual relationships with Ms. Lewinsky and other government employees.

Mr. Fox is the first person to publicly say that he saw the president and Ms. Lewinsky alone together. As a result, his statement could be critical to the attempt by the independent counsel, Kenneth Starr, to determine whether Mr. Clinton did have a relationship with Ms. Lewinsky and then attempt to conceal it.

[The White House press secretary, Michael McCurry, said Wednesday that it would be unusual for a Secret Service agent, rather than a White

House staff member, to be ushering someone into the Oval Office, The Associated Press reported.]

"It's not the practice that I'm familiar with or that any of us around here are familiar with," Mr. McCurry said. Asked whether Mr. Clinton would clear up questions about the matter, Mr. McCurry said, "We are not responding day to day to stories."

Mr. Fox, who retired after 27 years with the Secret Service in January 1997, said he was uncertain of the exact date when Ms. Lewinsky visited the Oval Office, but said he believed it was a Saturday afternoon in either September, October or November 1995. Ms. Lewinsky told her onetime friend Linda Tripp — who secretly tape-recorded many of their conversations and gave them to investigators — that she began a sexual relationship with Mr. Clinton on Nov. 15, 1995, according to an affidavit Ms. Tripp made in the Jones case.

A Secret Service spokesman, Arnette Heintze, said his office would not comment on what Mr. Fox or other Secret Service personnel may have seen because the Lewinsky matter is the subject of Mr. Starr's ongoing investigation.

Mr. Fox said the day he witnessed Ms. Lewinsky visit Mr. Clinton, he was posted for a one-hour shift outside the Oval Office door. It was around midday, he said, when Ms. Lewinsky arrived saying she had some paperwork she needed to bring in to the president.

Mr. Fox said the president's secretary, Betty Currie, was not on duty that day. Mr. Fox said he opened the Oval Office door and told Mr. Clinton there were papers for him. The president was able to see Ms. Lewinsky

through the doorway, Mr. Fox said, and he told the officer to send her in. Mr. Fox said he remained at his post for another 40 minutes or so before he was relieved by another officer. During that time, he said, Ms. Lewinsky was behind the closed doors of the Oval Office with Mr. Clinton.

Mr. Fox said he was not sure of what occurred between Mr. Clinton and Ms. Lewinsky.

[The political consultant and Clinton ally James Carville said in a television interview that there were holes in Mr. Fox's story, Reuters reported.]

"Why would The Washington Post report that when they know full well that there are four doors into the Oval Office? Why didn't they choose to report that anybody can walk in any door, none of them are locked?" Carville said. "All that we know is the man's memory is correct, and he didn't come out the door."

[He added that the White House official said allow a person outside the Oval Office to look in, for example, to check on the status of a meeting.]

Mr. Fox, who lives in Wykesburg, Pennsylvania, was interviewed last week and said he saw Ms. Lewinsky in the White House.

Since that broadcast he has been contacted by the association that represents Secret Service officers and discouraged from saying anything more about what he saw.

Officials at the television station said they received a subpoena from Mr. Starr for the videotape of the Fox interview and had given it to investigators.

Filtering the Mystery Out of Tap Water

The Associated Press

WASHINGTON — The U.S. government Wednesday moved a step closer to giving American consumers detailed information about potential hazards in their tap water.

The Environmental Protection Agency proposed regu-

lations that would require suppliers nationwide to provide customers with annual reports on what is in their drinking water and whether it meets federal health standards.

"The new information will provide consumers with a

snapshot of the current state of their local drinking water supply," the agency's administrator, Carol Browner, said at a news conference.

The regulation, which must undergo a 45-day comment period, will not be final until later this year, and environmental officials said most of the nation's 56,000 water agencies probably would not supply the annual reports until next year.

Included in the reports would be:

- What lakes, aquifers or rivers the water came from.
- What contaminants were in the water and whether the amounts exceeded U.S. health standards.

- What health risks were posed by the contamination when federal standards were exceeded.

- What violations and enforcement actions had been taken against the water supplier during the year.

When Congress last summer considered revisions in

the federal drinking water law, this "citizen right-to-know" provision was the subject of concern from some lawmakers.

There was disagreement over how much information should be made available. Water agencies had, maintained that providing too much data might confuse customers, cause unnecessary fears and add to costs.

The Senate originally rejected the disclosure provision. But supporters argued citizens had a right to know what chemicals and other contaminants were in the water they drank. The law, when finally approved, left it to the environmental agency to develop regulations on the new reporting requirements.

Meanwhile, the Food and Drug Administration is considering whether to require "right-to-know" labeling on bottled water. The drug agency is working with the bottled water industry on new guidelines for such labeling.

POLITICAL NOTES

Surgeon General Is Confirmed

WASHINGTON — The Senate has voted overwhelmingly to confirm David Satcher as surgeon general, rejecting attempts by conservatives to link him to controversial causes and to frame the vote as a referendum on the "values and ethics" of President Bill Clinton's administration.

The confirmation of Dr. Satcher, 57, the director of the Centers for Disease Control and Prevention, fills the post for the first time since Joycelyn Elders was forced to resign from the office in 1994.

He was confirmed by a vote of 63 to 35 after 75 senators — 15 more than required — voted to end a filibuster mounted by the conservative Senator John Ashcroft, Republican of Missouri.

Mr. Ashcroft and other conservatives opposed the confirmation, citing Dr. Satcher's opposition to a ban on what critics call partial-birth abortions and his support for needle-exchange programs for drug addicts.

Maine Repeals Gay-Rights Law

AUGUSTA, Maine — Maine has become the first state to vote to repeal a gay-rights law, a move that both sides said should send a message around the nation.

Ten other states and the District of Columbia have laws similar to the one repealed Tuesday, which barred discrimination against homosexuals in employment, housing and credit applications. Supporters of gay rights said the repeal would increase pressure for a federal law. Opponents said the federal government should learn a different lesson: to refrain from providing special protection for homosexuals.

The referendum brought out only 31 percent of Maine's voters; 52 percent of those voting favored the repeal. (AP)

Bill to Ban Cloning Is Shelved

WASHINGTON — Senate legislation to ban human

cloning was shelved Wednesday because of fundamental differences over what constitutes a human life form that is entitled to legal protection.

A move to break the filibuster received 42 votes in the Senate, 18 short of the 60 needed to end the impasse and begin debate on a Republican-backed bill that would permanently ban a procedure for cloning a human embryo.

Opponents of the bill, who include many groups in the scientific community, say it goes too far in restricting vital research. (AP)

Quote / Unquote

President Bill Clinton, resisting Republican pressure for a tax cut: "Let me be clear: Fiscal irresponsibility gave us 12 years of exploding deficits, division, declining wages. Fiscal responsibility has given us the strongest economy in a generation. I will not allow a return to the policies that have failed us in the past." (WP)

Away From Politics

U.S. environmental officials are investigating whether hundreds of thousands of modern heavy-duty diesel trucks were illegally designed to skirt the Clean Air Act's controls on pollution emissions. (NYT)

The chairman of the NAACP, Myrlie Evers-Williams, says she will not run for re-election. She wants to establish an institute named for her husband, the slain civil rights worker Medgar Evers. (AP)

A former saleswoman who said she was fired for speaking Spanish was awarded \$500,000 by a federal jury in New York. (AP)

Virginia executed a man who killed a cashier in a 1986 robbery. (Reuters)

A rare set of Siamese twins, connected at the side and with only two legs between them, has been born in California. (Reuters)

AMERICAN TOPICS

Sweepstakes 'Winners' Learn The Hard Truth of Marketing

Richard Lusk, an 88-year-old California man, flew across the country to Tampa, Florida, last week, persuaded that he had won \$11 million in the American Family Publishers sweepstakes.

Although he had flown there in October on a similar mission and suffered a stroke the day after his return, Mr. Lusk again paid \$1,700 for an airplane ticket. He wanted to hand-deliver his "winning" entry to the return address on a letter that declared: "Richard Lusk, Final Results Are In, and They're Official: You're Our Newest \$11 Million Winner." Mr. Lusk reports the Los Angeles Times, did not see the small print that said he had won only if he had the winning number. "I didn't see how I could be wrong," he said this week.

He was not alone. At least 20 people, most of them elderly, have flown to Florida in recent years seeking to claim fortunes. Tampa airport officials say. The parade of seniors baffled by sweepstakes run by marketers such as Publishers Clearing House and American Family Publishers, has outraged people in Florida.

A Tampa resident, Ina Brown, 77, has sued American Family Publishers after learning that the letter that stated "You've Swept Past 200,000-Plus Other Winners With Our First \$11,075,000 Prize in History!" was worthless.

She and another plaintiff are seeking damages equal to the prize and asking that the company be barred from using words such as "congratulations" in future mailings.

Florida's attorney general, Bob Butterworth, has filed an action against American Family Publishers charging it with violating state law against deceptive and unfair practices. A spokesman for the company denies any wrongdoing.

Short Takes

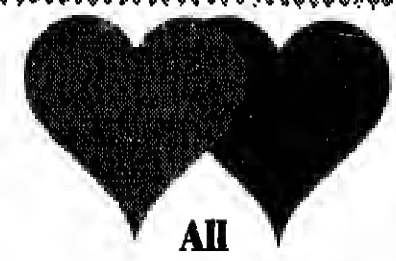
Spas and massage stations have been offering an astonishing array of new ways to reduce stress, U.S. News & World Report says. Consider these mind-expanding, muscle-relaxing possibilities: the hot-stone massage involves kneading smooth, heated lava stones into tense muscles; in the Shiatsu, heated aromatic oil is poured onto the forehead in a constant stream

to relax the nervous system; the Watsu involves being rocked, cradled and massaged by a therapist in a pool of mineral water, a veritable back-to-the-womb experience. Then there is the equine experience (not available at urban locations): brushing and grooming a horse.

In California, some Wells Fargo bank branches will soon offer clients services not normally associated with banking. Customers will be able to drop off their dry cleaning, mail packages, buy a sandwich or pick up a cappuccino. The services will be provided by a well-known Seattle-based coffee chain, a food purveyor and a dry-cleaning business.

Legislators in Iowa, concerned about prostitution rings at interstate highway rest stops, introduced a bill not long ago intended to bar sex acts in certain public places. Now some Iowans in high places are concerned about unintended effects. Under the bill, Governor Terry Branstad apparently could face as much as a year in jail for having sex with his wife in the governor's mansion. "This bill has some good intentions," said state Representative Dwight Dinkla, "but it certainly needs some more work."

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ASIA/PACIFIC

Police in Jakarta Begin Arresting Protesters

By Seth Mydans
New York Times Service

JAKARTA — Slapping himself vigorously on the stomach, a man in a brown shirt shouted, "We are hungry!" as a line of riot policemen with plastic shields moved forward Wednesday for their biggest crackdown yet on street demonstrators in the Indonesian capital.

Nearly 100 people were detained after a peaceful protest over the rising prices and food shortages that are forcing shoppers to spend hours in search of such basic items as cooking oil and baby-milk powder.

As Indonesia's economy has continued to worsen, despite a \$40 billion rescue package organized by the International Monetary Fund, anger has risen here and food riots have broken out in a score of communities around the country.

President Suharto sounded angry on Wednesday too, calling the exchange rate for the weakened currency, the rupiah, "insane." Since last July, the rupiah has fallen from 2,400 to the dollar to as low as 17,000 to the dollar, before strengthening again to about 7,200 on Wednesday.

Speaking informally on a visit to a factory, the president attributed the rupiah's fall to a "plot" by unnamed enemies aimed at destroying Indonesia's economy.

"There are signs that this monetary crisis has been engineered to smash our economic development of the

past 30 years," he said. His words were reminiscent of accusations by Prime Minister Mahathir bin Mohamad of Malaysia, who has blamed currency speculators, neo-colonialists and even a Jewish conspiracy for Asia's economic crisis.

In a gamble that is intended to stabilize the rupiah and to calm the protests and riots that have become increasingly frequent around the country, the government announced that it was moving ahead, as expected, to establish a currency board system.

Such a board — which some economists say is inappropriate for Indonesia — would peg the rupiah at a fixed rate, which it would support with the country's foreign exchange reserves.

It was not clear whether the arrests near the Ministry of Labor marked a toughening of the official attitude toward the small demonstrations that have become increasingly frequent in the streets of Jakarta.

Previous protests, mostly involving supporters of the opposition leader Megawati Sukarnoputri, have for the most part been left alone to march and shout and disperse peacefully. But the military has also announced that it is deploying 35,000 soldiers in the city and will act forcefully to maintain order here.

The capital has not so far experienced the violent outbreaks that have spread through provincial towns and cities. The latest of these to be reported here occurred Tuesday in the central Javanese town of Bumiayu, where officials said several dozen people threw stones at shops that had raised the price of

cooking oil.

On Sunday and Monday, a much bigger riot in the town of Ende on the island of Flores reportedly destroyed 21 Chinese-owned shops and forced many of their owners to take refuge in a police station.

In the demonstration in Jakarta, about 300 people carrying red and white banners and chanting "Lower the prices!" gathered outside the office of the attorney general.

"Corruption is making the crisis worse," said a demonstrator, who identified himself only as Irma.

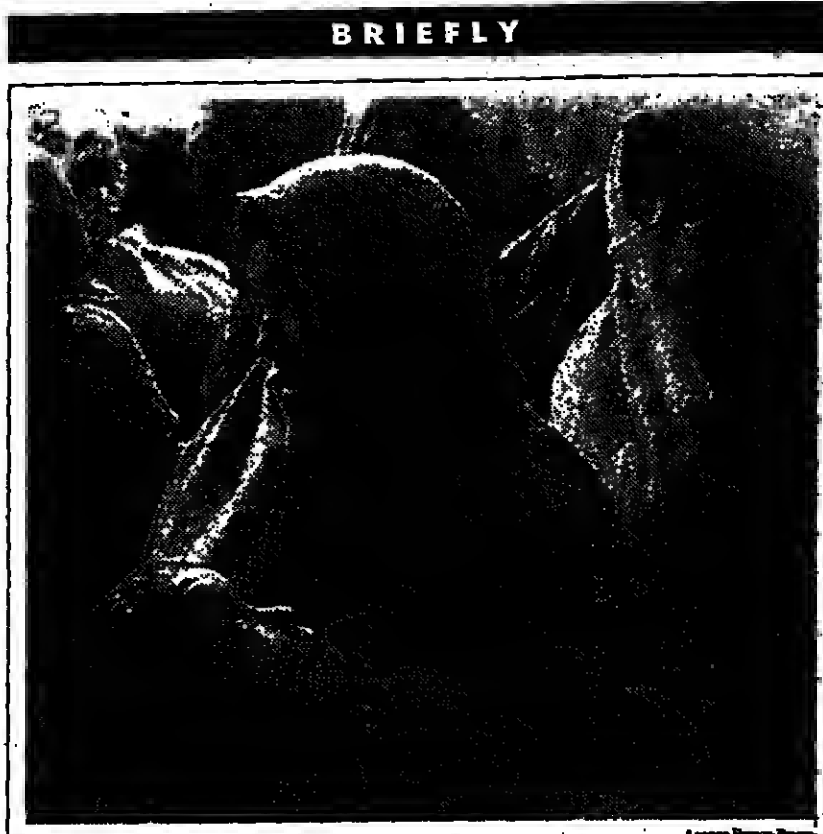
Security forces moved in to break up the rally, but when the demonstrators regrouped, riot police in visored helmets and padded vests began arresting them, marching them in orderly lines toward military transport vehicles.

"They were holding activities without permission in a public street, so what the police have done is ensure the safety of the traffic," said Colonel Arthur Damank of the police.

Pah Protest on Prices Reported

The official Antara news agency, in a dispatch cited by Reuters, reported that hundreds of people, mostly students, rallied Wednesday in and around Pah, the provincial capital of Central Sulawesi, in a similar protest against rising prices.

While most of the town's shops were shut, Antara said there had been no damage, and the police reported that the situation was under control.



Women and children awaiting aid Wednesday in Rustak, northern Afghanistan, a week after an earthquake devastated the region.

China: A Bulwark and a Peril to Asian Economies

By Steven Mufson
Washington Post Service

BEIJING — By vowing to defend its currency and prop up its economy with public-spending projects, China has been playing up its role as the responsible neighbor amid Asia's financial turmoil.

Deputy Prime Minister Li Lanqing said last week that China would put extra money into infrastructure and environmental projects if necessary to keep its flagging growth rate at 8 percent this year. And he promised once again to protect the value of the currency, the yuan.

"I think for 1998, greater China is the bulwark of Asian stability and growth,"

said William Overholt, an executive at Bankers Trust in Hong Kong. "It is very much the driver."

Despite its helpful economic policy commitments, however, China remains more a looming threat to the region's economies than their savior, many analysts say. Even without devaluing its currency, China has a troubled banking system, towering stockpiles of inexpensive consumer goods, huge exports, a voracious appetite for foreign investment and a virtually endless supply of what is still the cheapest labor in Asia.

"The absolute wage level is still cheaper in China," said Ken Chan, regional economist for Nikko Securities Research Center. "Even in the coastal

region, the wage level is at most parallel with Thailand and the Philippines. But in other areas there are very, very low wages."

The number of destitute Chinese peasants expected to migrate to cities in search of low-paid work during China's current five-year plan exceeds the entire labor force of Indonesia. China sucks in one-third more investment than Vietnam, Malaysia, Indonesia, the Philippines and Thailand combined, and much of that investment has been in fixed plants that will not be picked up and moved out of the country.

For the moment, China's government also appears to be more stable than some of its neighbors.

"What we're seeing today around the region and the world, deflation and unstable currencies, is the delayed effect of the shock of 1.2 billion Chinese entering the world economy," said an investment manager based in Hong Kong.

China's ability to help its neighbors is also blunted by the degree to which it is similar to them. China's imports — including machinery, technology and wheat — come mostly from the United States, Japan and Europe and probably will be bought from Asian countries. Although China could dig into its \$140 billion in foreign-exchange reserves and invest in its neighbors, it remains cautious about its foreign investments.

"If the region expects China to be a major buyer, don't expect it to happen," Mr. Chan said.

However, given that China already occupies a huge place in the world economy, other Asians are relieved that it appears ready to act in ways that will not worsen Asia's problems. Unlike the situation 10 or 20 years ago when China lived in not-so-splendid isolation, analysts say that the fate of the rest of Asia now hangs in the balance when China weighs what to do with its domestic economic policy and exchange rate. Many analysts agree that a move by China to devalue its currency would set off a round of competitive devaluations and spell depression for the entire region.

That would not help China either. Asia is the source of more than half of China's investment and the destination of about 30 percent of its exports. China has no incentive to cut the rest of Asia off at the knees.

"A stable yuan helps China and helps Asia," a government spokesman says. At the world economic forum in Davos, Switzerland, Mr. Li said: "China should not add fuel to the flames. We are very firm in our determination not to devalue the yuan." A devaluation, he said, would lead to devaluations of other currencies in the region and have "an avalanche effect" that would be "a disaster for stability and growth in Asia and the growth of the world economy."

In addition to damaging China's customers and investors, a devaluation of the yuan would have other adverse consequences for China: It would make imported goods — machinery, petroleum and wheat — more expensive and possibly reignite the inflation that Deputy Prime Minister Zhu Rongji has just spent three years beating back.

No Smoking Gun on '96 Fund-Raising

By David E. Sanger
and Don Van Natta Jr.
New York Times Service

WASHINGTON — Illegal campaign contributions to the Democratic National Committee in the 1996 election originated in bank accounts in "the greater China area," according to the final report of Republican senators investigating campaign finance abuses.

But the committee, in a declassified 13-page chapter obtained by The New York Times, says it could not establish that the Chinese government "funded, directed or encouraged the illegal contributions." The chapter is circulating among members of the committee and the nation's intelligence agencies.

While the report draws many connections between Chinese interests and Democratic donors and fund-raisers, it fails to provide evidence that China's government funneled money into national campaigns or influenced policy decisions in Washington.

Yet the report asserts that there is plenty of evidence that Chinese officials intended to do so. It concludes that President Jiang Zemin approved the creation of a Chinese government lobbying group to influence the U.S. Congress. Such lobbying would have been legal if China's representatives had been registered with Congress. The committee concluded that China was chiefly motivated by its desire to match the sophisticated efforts of Taiwan and other major governments.

The report goes on to say that China's zeal quickly resulted in a range of covert activities "designed to influence elections in this country." It also cited a "fragmentary" report that China attempted to influence the 1996 presidential election.

The so-called China chapter of the 1,500-page final report represents the conclusions of the Senate Committee on Governmental Affairs, led by Senator Fred Thompson of Tennessee. In July, Mr. Thompson opened the committee's

hearings with the assertion that there was "a Chinese plan to subvert our election process."

After nearly a year of investigation in the United States and Asia, and after 32 days of hearings that were televised last summer and fall, the committee "still cannot determine conclusively" whether China "funded, directed, or encouraged the illegal contributions" to the Democratic National Committee.

The report describes a wealthy Hong Kong contributor as a man who "reported to and was briefed by Chinese Communist Party officials," but it traces only one donation from the Chinese Consulate in Los Angeles. It went to a Republican who ran for the California State Assembly in 1996.

The committee was blocked in determining the origins of several million dollars in Democratic contributions because they could not get access to overseas banking records, including in China and Macau.

Aid Workers Warn Of Afghan Deaths

RUSTAK, Afghanistan — Aid workers warned Wednesday that the heavy death toll in the Afghan earthquake Feb. 4 could rise.

Soov was blocking all efforts to reach thousands stranded with little shelter or food, they said.

A week after the quake hit the northern province of Takhar killing about 4,000 people, humanitarian organizations were still frustrated in attempts to reach the stricken villages, many of which lie on steep mountain slopes.

"Thousands of people are facing risk of death through exposure," said Sandrine Chopin, an official from the European Commission Humanitarian Office.

"If they cannot eat to generate warmth and have no shelter, this will result in a major threat of many deaths," she said.

An official from the International Committee of the Red Cross said the group was negotiating with Islamabad to allow a Pakistan Air Force Hercules to fly in supplies.

Included would be blankets, tents and food, and possibly a helicopter to help scour the isolated region in search of survivors.

The relief material would be taken from the northwestern Pakistani city of Peshawar to Hajjah airport in Takhar Province. (APF)

Mr. Bhatt and hailed him as the first Kashmiri to "shed his blood" in the struggle for Kashmir's independence from India. (APF)

Executions Decline, Beijing Declares

BEIJING — The number of criminals sentenced to death in China has decreased since a revision of the criminal code in October, a Supreme People's Court judge said Wednesday.

"The greater restriction on capital punishment shows that China cherishes the lives of criminals," said Judge Zhang Jun.

No figures were given with the report, carried by the official Xinhua press agency.

In August, the human rights group Amnesty International estimated that on average 17 persons were sentenced to death each day in 1996, or more than 6,100 people over the course of the year.

Of the estimated total, 4,367 death sentences were carried out, Amnesty has said.

Revisions to the penal code exclude the death sentence for pregnant women and for criminals under age 18, Xinhua said. (APF)

Separatists Call Strike in Kashmir

SRINAGAR, India — Various Muslim separatist groups enforced a general strike Wednesday across Kashmir to mark the 14th anniversary of the execution of one of their leaders by the Indian government, witnesses said.

Businesses, banks, offices and schools remained closed and roads were deserted because of the one-day protest, they said.

Magbool Bhatt, founder of the Jammu and Kashmir Liberation Front, a separatist group, was hanged in an Indian jail 14 years ago on charges of murder.

The All Party Freedom Conference, an umbrella forum of the separatist groups here, paid tributes to

Hong Kong Protest At Official's Visit

HONG KONG — Ringed and outnumbered by police, protesters followed China's legislative leader Wednesday on his first visit to Hong Kong.

Qiao Shi, head of the National People's Congress and one of the most powerful Chinese leaders to visit Hong Kong since its handover to Chinese rule, met with top Hong Kong officials at Government House, the former residence of Britain's colonial governors.

Demonstrations outside Government House by two opposition groups were heavily controlled, with police outnumbering demonstrators by a ratio of 5 to 1.

There were minor scuffles but no arrests, the police said. (APF)

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who gets younger and younger working
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EUROPE

Marines Remove a Commander in Italy Ski-Lift Investigation

By Matthew L. Wald
New York Times Service

WASHINGTON — The commander of a squadron of jets like the one that severed cables on a ski lift in Italy last week, killing 20 people, was relieved of command Friday because he asked crew members to turn over to him evidence in the investigation, according to the U.S. Marine Corps.

In a statement Tuesday night, the Marine Corps said Lieutenant Colonel Stephen Waters had been removed "because the commanding general lost confidence in his ability to lead the squadron."

"The loss of confidence stems from statements made to his squadron to destroy potential evidence in an ongoing investigation," the statement said.

Colonel Waters was not the commander of the squadron involved in the incident last week, near

the northern Italian ski resort town of Cavalese.

But the investigation has broadened to include his squadron because it rotates with three other squadrons between the Marine Air Station at Cherry Point, North Carolina, and a NATO base in Aviano, Italy. It was a jet on a training flight from Aviano that flew on low Feb. 3 and severed a ski lift, causing a gondola to crash to the ground and killing all of the passengers.

Marine investigators have been questioning the crews that fly EA-6B Prowler jets about whether they had broken the altitude rules for training flights.

Defense Department officials have acknowledged that the military jet, which is used in low-altitude missions in Bosnia-Herzegovina, was flying far below the minimum authorized altitude for training missions when it hit the ski lift.

A spokesman for the Marine Corps, Lieutenant

Colonel Stuart Wagner, said he did not know all the details of what Colonel Waters had said to his squadron.

Colonel Waters declined to comment when reached by telephone at his home.

A retired Prowler crew member who now works for a defense contractor said Tuesday that active crew members at the briefing called by Colonel Waters told him of what was discussed at the meeting.

The retiree, who spoke on the condition of anonymity, said the colonel had asked his crew members if they had any videotapes might show they had violated the rules on low-altitude flying.

The colonel asked that any such videotapes be turned over to him, the retiree said. Prowler crews commonly take ordinary home-video cameras aloft with them.

Thus far, no charges have been brought against

Colonel Waters, and it is not clear whether the crews he commanded had any evidence that would have incriminated them.

Colonel Waters, known as Muddy, entered the Marines in August 1979.

Italy Doubles Minimum Jet Altitude

Italy's defense minister said Wednesday that he had ordered the minimum altitude for flights over Italy doubled. The Associated Press reported from Rome.

Deputy Minister Beniamino Andreatta told the Chamber of Deputies he had ordered the minimum altitude raised from 150 meters (500 feet) to 600 meters for flights over the Italian Alps and to 300 meters for the rest of the country.

Mr. Andreatta also said he had suspended all military flights, both Italian and foreign, over the region where the cable car fell.

BRIEFLY

Lebed Candidacy In Siberia Reported

MOSCOW — Alexander Lebed, Russia's former security chief and presidential candidate, will run for governor in Krasnoyarsk, a key industrial region in central Siberia, according to a report Wednesday.

Mr. Lebed finished a strong third in the 1996 presidential race, but he has been less and less visible since he was fired as President Boris Yeltsin's security chief in October 1996.

Winning a governor's post would automatically make him a member of the Federation Council, the upper house of Russia's Parliament. He will face 15 other contenders in the April 26 election, according to the report, carried by the Itar-Tass news agency. (AP)

Bosnian Serbs End Protest Over Arrest

SARAJEVO, Bosnia-Herzegovina — Bosnian Serbs tore down a symbolic wall in Sarajevo on Wednesday that they had erected to protest the arrest of a Serb suspect accused of killing a Bosnian government official.

Dragan Savic, the protest leader, said the Serbs decided to knock down the 10-meter-long brick wall in a Sarajevo suburb after holding talks with international police monitors.

"What we are doing today is showing understanding towards the international community regarding the Vasic case," Mr. Savic told reporters. The wall was erected on Tuesday to protest the arrest of Goran Vasic by Muslim-Croat federation police last week. (Reuters)

German State Bans 2 Neo-Nazi Groups

BERLIN — The Lower Saxony state interior minister banned two neo-Nazi groups Wednesday, one day after another state announced a police crackdown on extreme-rightist hangouts.

The decisions follow government reports that neo-Nazi attacks rose 10 percent last year, as well as concerns that extreme-rightists are using intimidation to keep foreigners out of restaurants, bars and neighborhoods.

Interior Minister Gerhard Glogowski said the banned groups, both called "Heide-Heim," or "Home on the Heath," were based in Buchholz and Hamburg and had the shared goal of overthrowing the government.

On Tuesday, the interior minister of Brandenburg state, Alwin Ziel, announced that police would be assigned to a crackdown starting next week on neo-Nazi hangouts. He said his state had an estimated 40 extreme-rightist groups. (AP)

Inquiry Into Diana Crash Is Expected to Drag On

New Book Says She Could Have Survived

By Anne Swanson
Washington Post Service

PARIS — One of the most thorough investigations in the history of French justice, the inquiry into the car crash in August that killed Diana, Princess of Wales, is far from complete.

As a new book appears on the auto accident that took the life of Diana, her companion, Dodi Fayed, and the driver, Henri Paul, there remains little sign that the crash in a highway tunnel along the Seine after midnight Aug. 31 was anything other than the confluence of high speed, a drunken driver, a determination to escape paparazzi photographers and possibly a second car.

But lawyers familiar with the case say the investigation appears likely to drag on for at least several more months.

"This case has involved more verification, more participants, more care than any other case I have seen," said Jean-Marc Coblence, a lawyer for three of the photographers under investigation for allegations of involuntary homicide and failing to help the victims.

One factor is slowing the process. Herve Stephan, the French magistrate who is the chief investigator, is handling other unrelated investigations as well, perhaps dozens of them, according to one lawyer familiar with the case. "The system is overloaded," the lawyer said by way of explanation. In France, such a workload is typical for investigating magistrates, who have little staff.

In addition, Mr. Stephan is said to be a meticulous worker who is aware of the political and media pressure surrounding the investigation.

"He wants to do a model inquiry," said William Bourdon, lawyer for another of the photographers. "He wants to leave nothing undone, to close all the doors." The other magistrate in the case, Marie-Christine Devidal, has a similar reputation.

The Times of London reported this week that the British royal family was

pressing the French authorities for a speedy end to the investigation in order to quell uncertainty about what happened after the car pulled away from the Ritz Hotel that night. After Mr. Stephan has completed his work and the French judicial process run its course, the British authorities plan to conduct their own inquiry.

The only survivor of the crash, Trevor Rees Jones, a bodyguard, has so far failed to remember the circumstances of the accident.

A few new witnesses have come forward in recent weeks. Two testified to having seen the white Fiat Uno that the police believe may have played a role in the crash, though the police appear to have abandoned hope of finding it. Another witness reportedly saw a motorcycle driving near the Mercedes carrying the princess in the tunnel under the Place de l'Alma as well. But not all the accounts are believed reliable, and some have appeared in French magazines that pay for news.

The physical portion of the investigation is believed to be complete. At the end of December, the criminal brigade turned over a two-foot-high dossier of the results of its investigation to Mr. Stephan. Technical reports on the wreck of the Mercedes are expected to be sent to him this week or next. The magistrate also plans on questioning the photographers again.

The new book, by the Time magazine correspondent Thomas Sanction and Scott MacLeod, raises the question of whether French emergency physicians made the right decision in stabilizing Diana's condition at the crash site and transporting her slowly to the Pitié-Salpêtrière hospital. It took an hour and 40 minutes from the moment of the crash, about 12:20 A.M., to Diana's arrival at the hospital, the book said. Other accounts have suggested a similar gap.

Some of that time was spent extricating Diana from the wreckage, and more on beginning an IV and stabilizing



The actress Amy Seombe playing Diana during the filming of the TV movie "The People's Princess" near Palma, Majorca, on Wednesday. At her side, Anthony Zaki played the princess's friend Hasnat Khan.

her blood pressure and other vital signs. Once in the ambulance, the trip from the crash site to the hospital, a distance of less than five kilometers (three miles), took 40 minutes.

Excerpts of the book, "Death of a Princess," in this week's Time and the Times quote U.S. doctors as saying Diana's survival chances would have been greater had she been immediately taken to the hospital and placed on a heart-and-lung machine.

It quotes, among others, David Wasserman, an experienced American emergency physician. "You could never diagnose that kind of injury in the field, never," he said. "In the U.S. there'd be hell to pay in a case like this — lawsuits, internal investigations. Spending all that time on-site treatment was exactly the wrong approach for this patient."

Spokesmen for Paris emergency services and for Pitié-Salpêtrière declined to comment, though they have said in the past that critical-care ambulances are "perfectly equipped for resuscitation." They and others also have pointed out that, unlike in the United States, French ambulances are always staffed by doctors, not paramedics.

Jerry Papon, head of emergency services at the American Hospital in Paris, explained that the French and U.S. systems operate under different philosophies. Emphasizing that he was not familiar with the details of Diana's case, Dr. Papon said French ambulances were more extensively equipped than American ones, even carrying mini blood-analysis labs. Doctors — in critical-care ambulances there are two of them — are trained to make a preliminary diagnosis

of a trauma patient and, with rare exceptions, stabilize him or her before transportation.

"Treating the patient on-site is very controversial," he said. "It is probably one of the most controversial differences between the United States and France, and the Diana case raised it again."

The French health minister, Bernard Kouchner, who is a doctor, said that given Diana's injuries, she could not have been saved regardless of how she was treated. "There was nothing more to do," he said.

Diana's mother, Frances Shand Kydd, told the Daily Express newspaper she believed that Diana's injuries were "unsurvivable" regardless of treatment and that "the medical staff in Paris did everything they could."

De Niro Lawyer Files Charge on Magistrate

He Accuses Prober of Seeking Publicity

Reuters

PARIS — A lawyer for Robert De Niro accused a French investigating magistrate Wednesday of dragging the movie star into an inquiry about a high-flying prostitution ring only to publicize his investigation.

Georges Kiejman, a former justice minister and now one of France's leading lawyers, said the American actor had nothing to do with the case and was hauled in only because one call girl had mentioned his name.

Mr. Kiejman filed a complaint against Frederic N'Guyen, the investigating magistrate, late Tuesday while Mr. De Niro, who is working in Paris on the John Frankenheimer film "Ronin," was being questioned about a sex ring for wealthy Middle East clients.

"De Niro doesn't play any role in this affair," Mr. Kiejman told RTL radio. "One young woman, only one young woman, said Robert De Niro had looked at her and she thought he liked her."

Mr. De Niro, 53, evaded dozens of waiting journalists Tuesday evening when he left the Paris law courts after

hours of questioning. Mr. N'Guyen has been investigating the prostitution ring for several months, and two people have already been placed under investigation and are in jail awaiting possible trial in connection with the case. They are a 49-year-old Swedish former top model accused, according to a court charge sheet, of being the ring's organizer, and a male photographer who worked for several racy magazines.

Mr. Kiejman said Mr. N'Guyen had illegally inhibited Mr. De Niro's movements and violated the secrecy of the inquiry by leaking to the news media his intention to question the movie star.

Reports linking Mr. De Niro to the inquiry appeared in the press Saturday.

Mr. Kiejman said the investigating magistrate had what he called "an inordinate love of the cinema," adding, "I suspect there was a bit of megalomania about having Robert De Niro appearing before him."

A well-known French film producer, who has since been released on bail, is under investigation on rape charges in the case, justice sources said. Also freed, but still under investigation for multiple rape, is a former Polish international-class tennis player, they said.

The ring, which operated mostly on the French Riviera, was said by French radio to offer prostitutes' services for 5,000 francs (\$825) to 20,000 francs a night.

London and Dublin Weigh Expulsion of Sinn Fein

By James F. Clarity
New York Times Service

DUBLIN — The Irish and British governments said Wednesday that they would decide in a matter of days whether to expel Sinn Fein, the political wing of the Irish Republican Army, from the Northern Ireland peace talks.

The Protestant-inspired campaign to expel the overwhelmingly Roman Catholic Sinn Fein appeared to be gaining momentum, according to Irish and British officials involved in the peace talks.

Sinn Fein should be expelled, the Protestants say, because the IRA has returned to the violence that Sinn Fein renounced to get a place at the formal talks. "It looks bad," said a senior official, reflecting a widely held view that without Sinn Fein, the talks are unlikely to produce a sus-

tainable peaceful settlement of the sectarian warfare that has killed more than 3,200 people since 1969.

In Dublin, Prime Minister Bertie Ahern said he had received information indicating that the IRA was behind the killing on Monday night of a civilian in Belfast, the capital of Northern Ireland.

If that information proved accurate and was confirmed by Ronnie Flanagan, the chief constable of Northern Ireland, Mr. Ahern said, then the Irish and British governments would consider the exclusion of Sinn Fein.

The British Northern Ireland secretary, Mo Mowlam, said Wednesday afternoon in Parliament in London that she would make a decision "towards the end of this week" before the peace talks move from Belfast to Dublin on Monday.

Two weeks ago, Ms. Mowlam, in consultation with Mr. Ahern, expelled a Protestant party, the Ulster Democrats, which represented paramilitaries of the Ulster Freedom Fighters at the talks, after the paramilitaries admitted killing three Catholics.

Both Mr. Ahern and Ms. Mowlam said that fear was growing in the North that a new round of sectarian violence was coming. In December and January, eight Catholics and two Protestants were slain. On Monday night, a Catholic known as a drug dealer was killed in an attack in Belfast attributed privately by the police to an IRA front group, Direct Action Against Drugs.

On Tuesday afternoon, a prominent Protestant member of the outlawed Ulster Defense Association was shot and killed. No group has claimed responsibility for the

killings, giving currency to the cynical phrase now familiar in the North: "No claim, no blame."

Exclusion could move the IRA to resume its campaign of violence, which could in turn provoke Protestant paramilitary retaliation in the North and here in the Irish Republic.

The exclusion of Sinn Fein was proposed Tuesday by Protestant political leaders on the grounds that the IRA or one of its front groups had killed the two civilians Monday and Tuesday. Sinn Fein was admitted in September to the talks, after the IRA declared a cease-fire in July, and the Sinn Fein president, Gerry Adams, pledged, as a condition for his admission, to seek political change only by peaceful means.

Sinn Fein claims that it does not represent the IRA at the talks, but virtually no one in Northern Ireland,

Catholic or Protestant, believes this. Mr. Adams has said Sinn Fein is at the talks only on the basis of an electoral mandate, having won 16 percent of the vote in the last general election in May 1997. He denied that his party had anything to do with the two killings.

Mr. Ahern said Wednesday he had received information indicating that the killing of at least one of the two people in Northern Ireland earlier this week was the work of the IRA. He said that "it seems from the information available," the IRA was behind the killings.

In London, David Trimble, head of the Ulster Unionist Party, the largest in Northern Ireland, said, "The indications we have is that both murders this week in Belfast were the work of the IRA. Sinn Fein is only at the talks on the basis of an IRA cease-fire."

A Kurd Is Convicted Of Arson in Germany

Reuters

HANNOVER, Germany — A Kurdish guerrilla commander was convicted of arson on Wednesday for coordinating a 1993 campaign against Turkish targets in Germany.

A court in Celle imposed a jail term of seven and a half years on the defendant but agreed to release him as he had already spent several years in custody.

The string of attacks resulted in one death and substantial damage to property in 30 towns across Germany. The police believe that more than 200 accomplices took part.

The 48-year-old defendant was convicted Wednesday was known as Kani Yilmaz but identified in court as "Faysal D."

Arrested in Britain in 1994, he is a former official of the Kurdistan Workers Party, which has fought a long guer-

rilla war for a Kurdish homeland in southeastern Turkey. The court agreed to his release after taking into account time he had spent in custody in Britain awaiting extradition.

It found him guilty of coordinating the attacks on Turkish targets in Germany and convicted him on charges of serious arson and attempted arson.

He had originally been accused of heading a terrorist organization, but prosecutors dropped that charge at the start of the trial last month.

In November, the Celle court sentenced another member of the Kurdistan Workers Party to four and a half years in prison for involvement in the attacks. A second party member was sentenced to three years and nine months in December.

Immigrants from Turkey and their children number about 2 million in Germany.

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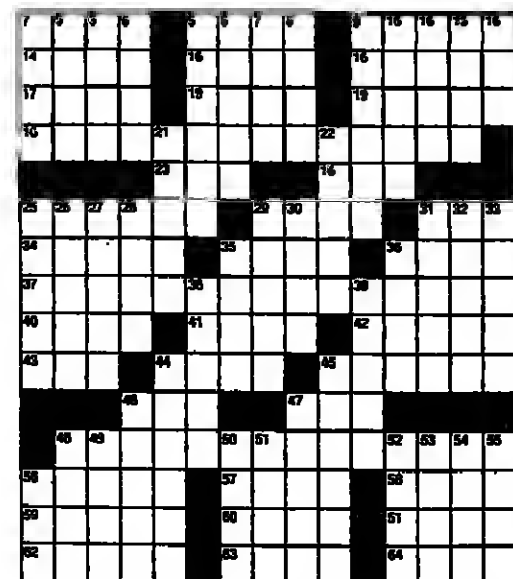
- 1 Guitar attachment
- 3 Tell secrets
- 5 One who tries
- 14 "Family Ties" role
- 15 Terza — (Italian verse form)
- 16 Burger garnish
- 17 Dot on a map
- 18 August
- 19 Burn a bit
- 20 Opposition?
- 23 Novel ending
- 24 "1-2-3" singer Barry
- 25 Wine and dine
- 26 "The Rocky Horror Picture Show" hero
- 31 Buddy
- 34 Cut off
- 35 Egyptian port
- 36 Lady's man
- 37 Exposition?
- 40 — a secret
- 41 Sing the praises of
- 42 Smart or Smiley
- 43 Colonial descendants' grp.
- 44 Like a Dali watch

DOWN

- 2 To boot
- 3 Sound
- 4 Relative of a Salchow
- 5 Enjoy a bookstore
- 6 Last straw
- 7 Massasant
- 8 Report of a shooting?
- 9 Teased
- 10 Blue side
- 11 Force
- 12 Full of energy
- 13 Hydrocarbon suffix
- 21 Ship of fools?
- 22 Tailcoat location
- 25 Hog-wild
- 45 Carol starter
- 46 Gained a lap?
- 47 Poetic pugilist
- 48 Deposition?
- 50 Battle lineup
- 57 Wahnes' wear
- 58 Syria, long ago
- 59 Host offering
- 60 Safety, e.g.
- 61 Score unit
- 62 Beef on the hoof
- 63 Lot measurement
- 64 Pinnacle

Solution to Puzzle of Feb. 11

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TSLAM EMMA ELIA
VIOLETA RAIN NELL
AZOZEBROSES
HERE AAA
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LILANO INGE LIT
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APE FOOD SPECK
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XOUT NERD AQUAS
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INTERNATIONAL

The Unanswered Question About Iraq: What to Do About Saddam?

By Joseph Fitchett
International Herald Tribune

MUNICH—Through all the televised demands and diplomatic encounters of the crisis over Iraq, there has been little public debate over a pivotal question that separates the major players in the drama: What to do about Saddam Hussein?

President Bill Clinton and others in Washington have openly relished the prospect of an Iraq without its current dictator. But a possible commitment to

NEWS ANALYSIS

changing the Iraqi regime goes to the heart of the political and moral problems dividing Washington from France, Russia and other countries resisting the use of force against Baghdad.

These countries, like some Arab governments, often say publicly that a U.S.-led attack on Iraq, backed by Britain and others, would not destroy his capacity to build advanced weapons and could strengthen his appeal as a man who defies the West.

In private, many of these critics worry that a massive, sustained attack could end up by toppling the regime, perhaps splintering the nation territorially and making a martyr of Mr. Saddam.

Mr. Clinton appears to be the table any overt U.S. action. Even Republican leaders who have sought war aims in this direction have been publicly pressing the president to avoid being perceived as U.S. laws barring the nation of foreign leaders.

As it tries to consolidate an international coalition, the White House has kept the public focus on finding ways to resume UN inspections and prevent the Iraqi regime from building and using weapons of mass destruction.

But Richard Perle, a former Reagan administration official, shattered this diplomatic veneer at a Munich security meeting this weekend when he said: "Hopefully, I'm not the only person in this room who thinks so, but I'm probably the only one to say that I hope there is no diplomatic solution with Iraq."

In Mr. Perle's view, coaxing can never persuade Mr. Saddam to cooperate with UN arms inspections now—and even less so with subsequent long-term monitoring. The Clinton administration shares this analysis enough to believe that bombing may be the only way to deal Mr. Saddam's military drive, perhaps permanently.

The U.S. arsenal poised for attack in the Gulf contains new bombs that could destroy deep underground "command and control" bunkers of the type that Mr. Saddam may use for refuge—although he would not personally be a target.

And U.S. officials confirmed that Mr. Perle's provocative proposal, which calls for Washington to change its war aims to target Mr. Saddam's regime, was quietly discussed by a dozen congressional leaders and Defense Secretary William Cohen in the corridors of the Munich security meeting he attended before flying on to Arab capitals this week.

As if to emphasize the difficulties of making Mr. Saddam renounce advanced weapons, Mr. Cohen, departing from his prepared text in Munich, said that Iraq had started seeding tracts of farmland with castor oil plants. Innocuous-sounding, the crop is actually part of a fanatical drive for biological weapons, Mr. Cohen said, because the castor oil beans can be treated to produce a deadly toxin.

Trying to put in place a more compliant Iraqi regime raises major problems, U.S. allies point out. Even if successors emerge, the turmoil of a military strike and subsequent power struggle, they argue, could dismember Iraq, with Turkey and Iran taking parts.

These risks have declined, U.S. of-

ficials said in Munich, adding that Iraqi minorities, with Western encouragement, might rally to almost any leader who promised to replace Mr. Saddam's tyranny. Tehran might even tolerate a naval embargo on Basra that would cut off the oil smuggling that brings Iraq's ruling clique an estimated \$1 billion a year.

In addition, there is some evidence that Russian objections to a U.S.-led attack on Iraq are becoming controversial in Moscow.

Mr. Primakov's moves to find a diplomatic solution are welcomed by Russians who resent their nation's disappearance from the Middle East. And a UN deal with Mr. Saddam would hasten the day when Moscow could start recovering \$7 billion it is owed by Baghdad, mainly from Soviet industrial and weapons sales during the Cold War era. But Konstantin Egger, an Izvestia correspondent, said at the meeting in Munich that a growing minority of Rus-

sians think that Mr. Primakov's attempts to deal with Mr. Saddam will end in humiliation for Moscow.

French objections, according to diplomats in Paris, are rooted in concerns about the future. France could benefit in new oil business with Iraq if and when UN sanctions are lifted. For the moment, Paris is willing to gamble on Iraq—and on Mr. Saddam—even though France's apparent indifference to the issue of weapons of mass destruction has sent a chill through French-German relations.

Washington may need to reassure allies that it can do enough damage militarily to control the aftermath. Already, the United States is assembling enough firepower to set back Iraq's war industries by several years.

Among the U.S. surprises for the Iraqi leader is a new model of laser-guided weapons—5,000-pound glide bombs known as GBU-28s—that can send massive payloads blasting through 12

feet of concrete.

A combination of glide bombs, with good intelligence obtained from UN inspectors and other sources, might enable the U.S. Air Force to destroy much of Iraq's weapons establishment—and perhaps kill Mr. Saddam in an airstrike. In Iraq, Tikrit, the village that is Mr. Saddam's birthplace and stronghold, would seem a natural hiding place for forbidden weapons caches and therefore a prime target for leveling—with some chance that the rubble might bury Mr. Saddam himself.

When U.S. officials air such contingencies privately, their French and Russian colleagues often shrink with apprehension. But Washington cannot afford to be paralyzed by uncertainty, Brent Scowcroft, a former national security council chief said in Munich.

"We have got only bad choices, but the worst one is doing nothing or so little that it amounts to nothing," he said.

PACE: Talk of War Aimed Mainly at Making Diplomatic Progress

Continued from Page 1

Canada and Australia, is intended to provide the necessary motivation for Mr. Saddam to negotiate seriously.

U.S. and British readiness to smite Iraq has forced Mr. Saddam to listen, and he is now beginning to negotiate some of the terms for opening up suspected weapons sites to inspection, senior American, French and British officials say.

The United States and Britain are insisting that Iraq obey Security Council resolutions and allow UN inspectors into all suspect sites with no limitations.

It is the Russians, through Foreign Minister Yevgeny Primakov and his deputy, Viktor Posuvalyuk, who are doing the serious negotiating. While Mr. Saddam has not yet given them a satisfactory clear pledge to open the sites, including so-called presidential palaces, to the UN Special Commission, or Unsc, he appears to be budging, however slightly.

"Iraq has moved, however inadequately, and under the pressure of imminent force, the Iraqis are continuing to move, although still inadequately," said a senior NATO-country official deeply engaged in the issue. "And the chances of Saddam continuing to move are increasing."

Officials are unanimous in emphasizing that Iraq's current proposals, as Foreign Secretary Robin Cook of Britain

said Tuesday in Parliament, "fall well short of our requirements that any agreement should be convincing and should enable Unsc to resume its work without restrictions, without deadlines and without any no-go sites."

But Mr. Cook also said that Mr. Saddam had a history of backing down from confrontation, "and we welcome the recent signs that Iraq is ready to consider a diplomatic solution." Mr. Saddam also has a history of breaking promises.

During a similar stage in diplomatic negotiations last November, Washington and the other permanent members of the Security Council agreed to a Russian-brokered solution that soon proved illusory, leading to the current impasse.

This time Washington and London are following a two-sided strategy to ensure that every possible diplomatic option has been mined while continuing with military preparations.

Time for diplomacy is not, however, endless, officials caution. They do not dispute that the most likely window for military action would run from the week of Feb. 22—after military forces are in place and the Winter Olympics are over—through the end of the third week in March, when the million or so Muslims who make the annual pilgrimage, or hajj, to Mecca and Medina in Saudi Arabia begin to assemble.

But a senior American official argued

strongly against "misplaced concreteness." Washington "will do what we need to do," he said.

"We won't be stopped by the Olympics and the hajj is amorphous. It's too specific to say the window comes between the last flag going down at Nagano and the 375th pilgrim arriving in Saudi Arabia."

American, British and French officials outlined possible elements of a diplomatic solution. They say that Mr. Saddam can add extra diplomats from other Security Council countries if he chooses, as a nod toward Iraqi sovereignty. But all three countries insist that Iraq must allow "unconditional and unrestricted access" to UN inspectors.

They say he may not limit the time of any inspection or the makeup of the inspectors, although he is trying to do just that. Senior officials also insist that Mr. Saddam must accept the authority of the Unsc. He has been trying to substitute other inspectors as a way to circumvent the organization.

"Without Unsc inspectors, these are political inspections and not professional ones," one official said. "If people go in with Unsc, it must be clear they cannot interfere with Unsc's work, and Unsc has to be under the control of Richard Butler, Unsc's chairman, who works directly for the Security Council."

CLINTON: First Lady Says Scandal Will Dissipate Over Time

Continued from Page 1

and was concentrating now on the show-down with Iraq.

Mr. Clinton has vehemently denied the allegations against him, but he has declined to discuss details. Some of his spokesmen are reluctant to talk about the case or involve themselves in it, saying they fear legal entanglements and attorneys' fees if called to testify about it.

The president's wife, however, cannot be required to testify against him. She remains free to speak publicly in his defense, and she has done so now on several occasions, once lashing out at his detractors as part of a "vast, right-wing conspiracy."

There is no legal exemption, however, to prevent a mother from testifying about her daughter. Ms. Lewis, Ms. Lewinsky's mother, spent several hours Wednesday before the 23-member grand jury here. After a fruitless attempt to fight the subpoena, she is testifying under a grant of limited immunity that protects her from prosecution based on her testimony.

Her testimony could be almost as important as Ms. Lewinsky's. Ms. Lewis,

49, is said to be a confidante of her daughter's. The two discussed the purported affair with Mr. Clinton, according to those who have heard secretly taped conversations between Ms. Lewinsky and her erstwhile friend, Linda Tripp.

Ms. Lewis has been told she was potentially a subject of the Starr office's investigation.

Ms. Lewinsky has sworn in an affidavit in the Jones case that she did not have an affair with Mr. Clinton. The president has denied such an affair, both in a deposition for Mrs. Jones's lawyers and in public statements.

Ms. Lewinsky's appearance before the grand jury could have been delayed either because talks between her attorneys and Mr. Starr's office over full legal immunity for her have been revived, or because the independent counsel has decided to pursue other avenues more extensively before moving to the woman who potentially is his most important witness.

Ms. Lewinsky's lawyer, William Ginsburg, was expected to file a motion asking a court to enforce what he said was a binding agreement with Mr. Starr's office to provide Ms. Lewinsky immunity.

On Tuesday, he indicated that Ms. Lewinsky would testify and would not invoke her Fifth Amendment right to avoid self-incrimination, if prosecutors obtain a court order requiring her to testify.

Meanwhile, in Little Rock, Arkansas, U.S. District Judge Susan Webber Wright turned down a request Tuesday by Mr. Clinton's attorney to move up the scheduled May 27 date of the Jones trial, saying the March date sought by presidential lawyers could hinder preparation for the case by Mrs. Jones's attorneys.

The judge also said that Mrs. Jones's lawyers had filed a request asking that she reconsider her ruling excluding evidence about Ms. Lewinsky from the civil trial.

In another development, Marna McClendon, the prosecutor of Howard County, Maryland, where Ms. Tripp lives, said Wednesday that she would not make a decision on whether Ms. Tripp violated Maryland law by making the tapes without Ms. Lewinsky's knowledge. Ms. McClendon said she was referring the case to the Maryland state prosecutor, whose office was designed to be "independent and nonpartisan."

PEG: Indonesian Plan Fuels a Currency Rally Across the Region

Continued from Page 1

and the Philippine peso, which rose more than 4 percent to 37.57 pesos to the dollar.

Foreshadowing the problems of unemployment that will hit throughout the region, the South Korean won—the only currency to fall—was brought down as powerful unions threatened a general strike on Friday to stop layoffs.

Market approval for the Indonesian currency board stems from the stability it would give the rupiah and the way it removes political interference from monetary policy by essentially closing the central bank.

A currency board would legally bind the rupiah to other currencies, probably the dollar, at a stated rate of exchange, thereby coupling Indonesia's monetary policy to decisions taken in Washington by the Federal Reserve Board.

Currency boards, which are in place in Hong Kong, Argentina and several other economies, hold onto a reserve of dollars or other currency equivalent to the national money supply. When any local currency is converted into dollars, the national money supply shrinks, forcing banks to pay higher rates of interest.

Critics doubt that Indonesia has sufficient reserves to back a currency board fully.

They also warn that Indonesia's already struggling banks would be unable to pay high interest rates and that strict controls would have to be in place to stop a rush for dollars when the system was put into place.

The punishingly high interest rates could also hurt economic growth just as the country is attempting to regain momentum. "With no central bank guar-

anteeing deposits if banks go under, there is a risk that panic withdrawals will start all over again," Mr. Eschweiler said.

Advocates of the currency board admit that it is not a perfect solution, but say that it offers a way to stop the volatility afflicting Asian currencies.

"The currency board would create some problems, but at least you have the possibility of things getting better," said Neil Saker, head of regional economic research at SocGen Crosby Securities.

Mr. Saker added that only when countries adopt currency boards do they gain the stability needed to settle payments for trade in local currencies, a concept being promoted by Prime Minister Mahathir bin Mohamad of Malaysia.

Last week Mr. Mahathir toured Southeast Asia to push for the use of local currencies instead of spending precious dollars.

While he received a polite welcome from his hosts, officials from other Southeast Asian countries privately admit that they are discouraging a plan that economists and currency traders say makes little sense.

"We have tried to explain it to Mahathir," the commerce minister of a Southeast Asian country said in a recent interview, requesting anonymity. "In the current situation, trade in your own currency just amounts to barter."

Confrontation Possible
The announcement in Jakarta sets the stage for a possible confrontation with the International Monetary Fund, the Clinton administration and others involved in Indonesia's international bailout. The Washington Post reported from Washington.

The plan has evoked consternation at

the IMF, which is leading the rescue effort for Indonesia, and at the World Bank, which has put up \$4 billion in loans toward the Indonesian bailout.

Officials at the IMF and World Bank fear that the government will not be able to maintain a credible dollar peg until it straightens out problems in its banking system and gains investor confidence that its political situation will remain stable.

The result of a failed peg, officials warned, could be an even deeper crisis.

INVESTORS: Americans Are Rushing to the Stock Market in Unprecedented Numbers

Continued from Page 1

have to put their money in equities if they want anything left for retirement," said Melissa Brown, an analyst at Prudential Securities.

Still, the situation could be fundamentally altered if stocks return to their historical gains of about 8 percent a year.

Concerns about how investors with bulging equity portfolios will react to a steep or prolonged downturn in stock prices have plagued Wall Street for several years. To allay fears of a panic, Wall Street analysts have often said that individual stock exposure is no greater than it was 30 years ago—though that estimate does not take into account many investment products that are gaining in popularity.

The extraordinary bull market has given few clues about what individuals will really do. For example, the brief but sharp decline in October became a buying opportunity for many.

The last time Americans had their faith in stocks truly tested was the stock market crash of 1929. Then, stocks accounted for only 13 percent of household assets—half as much as today—and Americans had more money in their savings and checking accounts than in stocks.

"Individuals certainly are taking more risk today than they were taking five years ago," said Scott Linnmer, chief investment officer of 401(k) Forum Inc., which sells investment advice on-line.

"A lot of that is for good reasons. But there is a growing set of the populace that looks at the last three years of returns and says, 'The market goes up 30 percent a year.' I'm not sure those people really understand the risks involved in stocks, and because of that they may have a lot more money in equities than they should."

How much is enough depends on who is talking. Wall Street professionals usually put the ideal portion of stocks at about 60 percent of one's financial assets. Some individuals go much further,

the Israel Defense Force is living in such disgraceful conditions," Mr. Weizman declared. If the army did not know, he said, "that is terrible."

In interviews after Sergeant Rappaport's coffin was driven off in an army truck for an El Al flight to Russia, his commanders and comrades tried to explain why they had known so little.

"We never suspected his situation," said Private Vadim Kutsik, a Russian-speaking member of Sergeant Rappaport's unit who was wounded in the same ambush. "He was very quiet; he never told anyone."

Sergeant Rappaport had applied for financial assistance but apparently concealed the fact that his father lost his job as a welder last summer, possibly because he might have been reassigned to a combat unit nearer home. At the same time, he never told his father that he was serving in a unit assigned to the

Israeli-controlled buffer zone in southern Lebanon. As a combat soldier, Sergeant Rappaport earned about \$170 a month.

Ilya and Nikolai Rappaport immigrated to Israel three years ago to seek a better life. Ilya Rappaport's wife, Klavdiya, who is not Jewish, stayed behind, reportedly because she was very sick. Olga Rappaport arrived in Israel two months ago, saying she missed her brother.

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"It didn't matter how many hours he worked during the day, or how many hours he spent on guard duty," said his platoon commander, Lieutenant Assaf Rosenfeld, "or even if his comrades did less. He never complained. I heard that he is not going to be buried in Israel. In my opinion, this is not what he would have wanted, if he could have asked."

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Deputy Prime Minister Tariq Aziz announcing Wednesday that Iraq was ready to open eight presidential sites.

IRAQ: Clinton Rejects Baghdad Offer of Limited UN Inspections

Continued from Page 1

Under the proposal, the sites would be surveyed by special teams under the authority of the UN secretary-general, Kofi Annan, for up to 60 days.

"Unsc is the adversary," Mr. Aziz told CNN. "It should not be the judge."

Mr. McCurry did not appear hopeful of a peaceful resolution. "There's a desire on the part of the United States to have a diplomatic solution," he said, "but we haven't made much progress toward a diplomatic solution."

Meanwhile, General Anthony Zinni, commander of U.S. forces in the Middle East, said the force of warplanes and ships in the Gulf was now virtually ready, although there were still "a few more pieces to put in."

Speaking as he traveled with Defense Secretary William Cohen around the Gulf to put the last touches to military plans and test diplomatic support, he said: "I would say we're within a week or so."

President Clinton made his remarks at a ceremony to mark the start of the

process of seeking U.S. Senate approval for the proposed expansion of the North Atlantic Treaty Organization to include Hungary, Poland and the Czech Republic.

"I am pleased that all three countries have announced that they are prepared to serve and support with us as appropriate should military action prove necessary," Mr. Clinton said, referring to the possibility of a strike against Iraq.

Washington garnered welcome allied support for an attack on Baghdad's illicit weapons systems should it continue to defy the inspectors access.

Italy, Spain, Denmark and Germany firmed up at least political backing for an attack, which has drawn only lukewarm support among Arab states and been strongly opposed by Russia and China.

Canada and Australia said this week they would be prepared to contribute to a military force, along with Britain, which has sent attack planes and an aircraft carrier to the Gulf.

But Russia, which has been trying to mediate a solution, and China still strongly oppose using force, as do most Arab countries, saying they want to avoid

further suffering by the Iraqi people.

On Wednesday, Spain said that the only way out of the crisis was for Mr. Saddam to comply fully with UN weapons inspections. If it did not, then Madrid said it would stand with its NATO ally, the United States.

Italy said it would not rule out use of its air bases in the event of a U.S.-led attack. Germany pledged its "absolute support" should Washington attack, although it stopped short of offering to contribute to a military force.

A NATO source said that certain allies were "exchanging information on their national positions" at NATO headquarters but were not conferring as an alliance. "It is clear that we do not seek a NATO involvement in this crisis because we seek the widest possible handling through the United Nations," he said.

The leader of the Democrats in the U.S. Senate, Tom Daschle, said he expected a resolution to come before the Senate on Thursday giving Mr. Clinton support to carry out the military strike. But Mr. Daschle said he did not expect the House to vote on such a resolution before going out Friday for a weeklong recess.

ISRAEL: Shame Over Poverty of a Quiet Immigrant Soldier

Continued from Page 1

port's Hebrew teacher, Tova Naysberg, one of the few people from outside the Givati Brigade who went to the ceremony.

Mr. Rappaport, unshaven and dressed in a thin brown jacket that seemed to offer little protection against the cold, was unable to read the Kaddish, the Jewish mourner's prayer, and let the chaplain do it. When asked to say a word, he was hesitant. "I'll try," he said in Russian. "I'll see if I can. I want to tell all you soldiers: fulfill your duty, of course, but do return home. Please excuse me."

The plight of the Rappaports came to light when President Ezer Weizman went to their hotel to pay a call on Sunday. He and the officers who went with him were horrified.

"It is a pity we have come to this point, in which the family of a fighter in the Israel Defense Force is living in such disgraceful conditions," Mr. Weizman declared. If the army did not know, he said, "that is terrible."

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Saddam?

feet of concrete.
A combination of glide bombs, as good intelligence obtained from the U.S. Air Force to destroy Iraq's weapons establishments — in Iraq, Tikrit, the village that is Saddam's birthplace and strategic forbidden weapons caches and a prime target for leveling — would chance that the rubble might kill Saddam himself.
When U.S. officials air such operations privately, their French and British colleagues often shrug and add to be paralyzed by uncertainty. But Washington's Secretary of Defense, William Perry, said in a speech last week: "We have got only one choice. The worst one is doing nothing or else that it amounts to nothing," he said.



to open eight presidential

Limited UN Inspection

Further... On Wednesday, the UN... Saddam... weapons... NATO... support... through... A NATO... were... not... It is... the... United... The... resolution... Thursday... carry... Da... to... out...

Immigrant Soldier

Israeli... American... to... because... paper... the... and... which... working... hours... plan... Russia... less... his... have...

Unprecedented Numbers

Mr. Brown... stable... self... and... In... stocks... Perry... Cambridge... the... money... Few... lev... that... market... had... As...

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EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Opening NATO's Door

As the U.S. Senate moves to the question of ratifying NATO enlargement, the debate is in a curious place. It is generally accepted that adding Poland, Hungary and the Czech Republic to the 16-nation alliance will be approved by well over the necessary two-thirds when the vote comes, probably in the spring. Yet several years of intense discussion have not removed all serious doubts about the step. Even among supporters, misgivings about adding further members later are evident.

There is a moral heart to the case for enlargement, and it is to bind the democracies, refreshing the old, strengthening the new. The first three candidates have demonstrated that they are committed to assuming alliance responsibilities. Their accession would, as Secretary of State Madeleine Albright put it on Monday, "make us all safer by expanding the area of Europe where wars do not happen." The resulting increments of stability would benefit not only NATO members but also the Russians, who remain opposed to the development but are unable to stop it.

The serious American objection to enlargement comes from strategists who fear the political and military dilution of an alliance once focused laser-like on territorial defense against a single dangerous foe. These strategists would have the European Union do the main work of easing the path of

the new democracies, leaving NATO to deal with a still problematic Russia and its huge residual nuclear resource. But that would leave the new free pieces of the old Soviet empire marooned in strategic ambiguity. The new democracies need better and deserve it. The EU should move more quickly but cannot fairly be asked to satisfy the full range of their wish to be of the West. Their insecurity could rub events raw and unsettle the region.

The different currents of resistance to enlargement meet in common opposition to taking in any more than Central Europe's favored three. This is the impulse behind suggestions of a legislated "pause." Such a maneuver, tying the hands of executive-branch foreign policymakers, is a truly bad idea. It could generate nervousness verging on desperation among the unfavored of Central Europe, and tempt others to throw their weight around.

The better way surely is, with Secretary Albright, to leave the NATO door open. Other democracies, as they meet the rigorous political as well as military standards for alliance membership, will then be able to assert their claim to be brought into the charmed circle. Time will let the allies show that enlargement, far from simply moving a military bloc menacingly closer to Russia's borders, calms the region as a whole.

—THE WASHINGTON POST.

Lawyers' Windfall

Even before tobacco settlement money has reached public treasuries, some members of Congress are up in arms over the potential fees that private lawyers might reap for legal work on suits brought by 40 state attorneys general to recover Medicaid costs arising from tobacco-related illnesses.

One House bill would limit private lawyers' fees in any national tobacco settlement to \$150 an hour. A Senate bill would set an even lower limit of \$125 an hour. Those amounts seem unfairly low for legal work of great national importance.

But in state litigation against the tobacco companies, some lawyers clearly stand to make astonishingly high fees. In Texas, Governor George Bush is fighting a fee contract that would pay some 130 private lawyers involved in the case 15 percent of the \$15.3 billion settlement between Texas and the tobacco industry, or \$2.3 billion over 25 years. In Florida, a state judge has criticized as unconscionably high a fee agreement that would pay private lawyers 25 percent of a \$11.3 billion settlement, and has sent that case into arbitration.

These high amounts naturally fuel resentment toward the lawyers, but they can argue that the contracts they signed with state attorneys reflect the financial risk that the states themselves refused to take. In fact, a U.S. district court judge in Texas recently ruled that the fee arrangement there was reasonable given the difficulties of the case and the risks involved.

Now that three states have reached settlements and Congress is contemplating a \$368 billion national settlement with the industry, it is easy to forget what long shots these cases were. No one had ever sued tobacco

companies for public health costs before, and, given the industry's scorched-earth tactics and record of victory in lawsuits, the likelihood of winning seemed small. State legislatures were not willing to spend tens of millions of taxpayer dollars pursuing these untested claims.

Instead, nearly every state in this litigation turned to outside counsel, typically with a contingency fee arrangement where the lawyers work without pay but receive a percentage of the money recovered if they win. The private lawyers also have to pay all the expenses, like fees for medical experts, travel, deposition costs and the staff needed to collect and analyze millions of pages of documents. In Texas, the lawyers spent more than \$40 million preparing for trial, an amount that they stood to lose if they did not prevail.

That level of investment and lawyerly skill should be compensated generously. Still, a question arises. When does generous become shocking to the conscience?

The courts have well-recognized authority to review the fairness of fees and awards and to revise the underlying contracts in order to protect the parties to the suit and the public interest. Our sense is that the Texas judge probably leaned too far in favor of the lawyers. Unanticipated multimillion-dollar fees in cases based on public suffering are bound to create a backlash.

One lesson that is even clearer is that some attorneys general acted in not imposing a cap or a sliding scale of reduced percentage on large judgments. It is possible to guarantee that most of the money goes to the public, and still leave the lawyers plenty of room to get rich.

—THE NEW YORK TIMES.

Other Comment

Whether to Bomb Iraq

At the World Economic Forum, Egypt's foreign minister, Amr Moussa, was blunt: Egypt is opposed to U.S. military action in Iraq. "We believe that military action should be avoided, and there is room for political efforts," he said. If such action is taken, there would be considerable fallout in the Arab world.

Mr. Moussa says the question of Iraq's possession of chemical and biological weapons must be pursued. But this requires cooperation with Iraq. If the United States attacks, he said, it will be difficult to continue UN inspections and monitoring. "You will be committing a major mistake — military action closes all avenues."

Mr. Moussa backed to an idea he has pushed of establishing a zone free from weapons of mass destruction — a way to force Iraq to give up its nuclear weapons. "We are against the acquisition of biological and chemical or nuclear weapons," he said. He said it would be easier for Egypt to cooperate with the U.S. administration if there were progress on the peace process.

What does he want the United States to do? "Bring the government of Israel to implement what they have signed and agreed on, land for peace."

Returning to the Iraq crisis, he said: "There is room for a political solution. Bear in mind the repercussions in the area." If the United States bombs, he said, there will be Iraqi victims. He asked: "What happens if the public sees a decisive move on the part of the U.S. toward Iraq but not toward Israel?"

—Lally Weymouth, writing in The Washington Post.

It is all too clear what the character of [a European Union] common foreign and security policy would constitute. Principle would hardly be at a premium. In its place there would be an insular approach and isolationist instinct that invariably preferred appeasement to intervention. This has already been apparent from Baghdad to Bosnia to Rwanda. We have seen the future and it stinks.

—The Times (London).

Clinton Hems and Haws Toward Retreat on Iraq

By Jim Hoagland

MUNICH — The Clinton administration has edged back from threats to inflict maximum military damage on Iraq and its weapons of mass destruction, hoping that a final round of diplomacy will succeed. But Washington's retreat actually undermines the slim chance that Saddam Hussein will do the last-minute deal that Bill Clinton seeks.

The confused words and deeds of President Clinton's national security team during the past week reinforce accounts from three people who have privately discussed the Iraqi crisis with the president.

Mr. Clinton appears to be veering back and forth from day to day, agonizing over options that range from a spine-breaking aerial assault that would inevitably produce heavy civilian casualties, and some U.S. losses, to an essentially cosmetic attack that would minimize Arab and European criticism of American actions.

The stage is thus set for a characteristic Clinton compromise of splitting the difference, settling on a middle course that will do no great harm to either him or Saddam.

Iraqi civilian casualties are uppermost on Mr. Clinton's mind, followed by his expectations of Arab condemnation of American strikes, according to his interlocutors. It is his aides, not the president, who bring up the threats that Saddam's continued survival in Iraq represent for his neighbors and to 30,000 U.S. troops now in the region.

His indecision and his distraction with the Lewinsky affair, prevent his Iraq crisis team from projecting the kind of determination and resolve that George Bush and Bill Baker showed in assembling a significant international coalition to fight, and bear the costs of, Operation Desert Storm in 1991.

Mr. Bush understood that the Europeans, Arabs, Russians and Japanese would join only if they saw that he had already decided to use overwhelming force. Mr. Clinton's decisions in recent days communicate the opposite message — his team gives priority to keeping together a weak political coalition,

not to preparing to inflict maximum damage on Iraq.

Defense Secretary William Cohen signaled this on a weekend trip to Munich, where he let it be known that the aircraft carrier Nimitz was returning for scheduled maintenance in Norfolk, Virginia, rather than staying on duty in the Gulf. The carrier that replaces the Nimitz, the Independence, is much older and packs far less firepower.

Mr. Cohen then told reporters that he would not ask Saudi Arabia for permission to stage strikes from U.S. bases in the kingdom, even though doing so would increase the destructive power of American attacks.

The Saudis need to be pressured. The royal family exists to the appearance of a strong leaning on by Washington to justify unpopular actions.

Mr. Cohen's preemptive admission that Mr. Clinton's team lacks either the persuasiveness, the determination or the strength to get the Saudis completely on board against Saddam is a

stunning reversal of a half-century of American efforts to guide the Saudis to right decisions at crunch time.

Mr. Cohen compounded his problems with a poetic but unfocused presentation to defense ministers and others gathered at the Munich Conference on Security Policy.

Discussing Saddam's weapons of mass destruction, he noted that "a poison that kills" can be extracted from "six or seven castor beans," the source of castor oil. "They are growing hundreds of acres of castor beans" in Iraq, he added. Listeners wondered if he was suggesting that the United States would soon be bombing bean fields in the name of nonproliferation.

With the president undecided, his aides are forced to make and then back away from their own verbal flourishes. As Mr. Cohen did with the castor beans and with his display of a bag of imaginary anthrax on television three months ago, presidential aides highlight problems for which they have no convincing solution.

This has led to a drumroll of statements in recent days lowering U.S.

goals: promising not to try to overthrow Saddam, not to use large numbers of ground troops under any imaginable circumstances, and not to finish with this problem once and for all.

One goal of the strikes now being planned is to put Saddam on notice that "we would be prepared to act again" when Iraq rebuilds weapons facilities that are destroyed this time, Clinton national security adviser Sandy Berger said on television on Sunday.

Mr. Berger's assessment of the williness of U.S. taxpayers to support the costs and risks of endlessly whacking Saddam is more optimistic than mine, especially as the level of noncooperation of the Saudis and other Arabs in the current operation sinks in.

The Clintonites think that diplomacy may still save them. They are prepared to sacrifice military effectiveness, and to say so in public, to support diplomacy and to maintain a deceptive appearance of allied unity.

That course guarantees that they will get neither effective diplomacy nor effective military action.

The Washington Post.

In Tehran, Potential Allies for American Action Against Saddam

OFFICIALLY, Iran opposes any U.S. military action against Baghdad. This was also Tehran's position in 1991, when clerics and Foreign Ministry officials were more than happy to watch CNN broadcasts of American forces pummeling the Iraqis.

In private, Iran's clerics don't mind words about Saddam's inextinguishable aggressiveness. They loathe him, blaming him for killing nearly a million Iranians during the Iran-Iraq war in the 1980s.

In the early and mid-1990s, the mullahs supported the Iraqi National Congress, an Arab and Kurdish opposition coalition, which also received money from the CIA. Iran's assistance was not huge, but it was constant.

According to members of the Iraqi opposition, Tehran wanted contact with the CIA in northern Iraq. The White House did not block limited cooperation

between the Iranians and the Iraqi opposition, but wanted nothing further. Iranian and U.S. intelligence officers who were living cheek by jowl in northern Iraq never talked to one another.

If the Clinton administration is serious about supporting indigenous opposition to Saddam, it should explore the possibility of working with Iran.

Tehran's support could prove invaluable. Iran and Iraq share a long, porous border, tactically more important than Iraq's borders with Saudi Arabia, Kuwait or Turkey. The majority of Iraq's soldiers are now stationed in the southern half of the country, not too far from the Iranian border.

With Tehran's help, guerrilla and intelligence operations could more effectively penetrate central and southern Iraq. With aerial safe haven in the north, protected by American airpower and

well-armed Kurdish and Arab forces, the Iraqi opposition could reach out to troops who want to defect and help them cross the Iranian border.

Iran could help the Iraqi National Congress establish closer ties to the Hekmati, the most prestigious Iraqi clerical family, who have been living in exile in Tehran. Within a year or two, an opposition supported by the United States could become far more than a nuisance to Saddam.

The mullahs have their own Iraqi favorites, whom they would seek to advance. But that is largely a post-Saddam chess game. The mullahs no longer have the revolutionary will or the money for Persian imperialism.

—Edward G. Shirley (the pseudonym of a former case officer in the CIA's Directorate of Operations), commenting in The New York Times.

Who Runs Japan? Well, Certainly Not the Government

By Karel van Wolferen

TOKYO —

The clamor around the world urging the Japanese government to help rescue Asian finances and act to prevent a global economic crisis is inappropriate. Such pleas are addressed to an entity that does not exist.

The country has no government — not in the normal sense of an institution capable of initiating and implementing major new policies.

International organizations and sundry commentators are rightly worried about the drag on the global economy caused by Japanese banks in trouble, and about a Ministry of Finance contributing to a deepening slump. A handful of Japan specialists have understood for some years that the methods of Tokyo's financial mandarins could well trigger a worldwide recession.

But attempts to convince Prime Minister Ryutaro Hashimoto of the seriousness of the situation are meaningless. He already knows. International commentary focusing on him as a world leader whose decisions will count the most in shaping global financial developments is ludicrously unrealistic.

Reporters trying to make sense of Japanese politics have over the years found plenty of apparent causes for governmental inertia: opposition parties, angry housewives, faction-

al infighting, and whatnot. But the problem is structural.

Japan lacks what most people assume to be an automatic attribute of a political system: a center of political accountability.

There is no person or institution ultimately charged with resolving big national questions.

Thus Japan is not only incapable of helping its neighbors at the moment. In the end it will have difficulty rescuing itself.

The anomaly of the world's second largest industrial power not being run by anyone — all the more scary right now — is not a new phenomenon. But factors encouraging blindness to the obvious have so far outweighed the urge to come to terms with it.

The absence of a government is something for which traditional diplomacy makes no allowance, and which most of the world's media cannot digest.

It has become an accepted regularity in world politics that Japan vanishes from the stage as soon as an international situation calls for initiatives.

Pesky economic conflicts aside, the United States has been happy enough that Japan always complies with U.S. foreign policy priorities and continues to buy big chunks of America's national debt. A

government capable of rethinking national interests might well constitute a bigger embarrassment for Washington.

Scholars who have grappled with the puzzle of Japanese power settled some time ago on the notion of a "conservative coalition" composed of politically like-minded senior officials, politicians, and industrialists, effectively substituting for a government.

There is little doubt that for some three decades after 1945 there was political agreement about an implicit grand scheme for Japan. The inevitable reconstruction of a war-devastated economy became an acknowledged policy of limitless expansion of productive capacity irrespective of profitability.

Effective unanimity also supported the vital relationship with the United States, whose protective strategic, diplomatic and economic umbrella was a prerequisite for Japan to function internationally without a normal government.

Japanese bureaucrats have been extremely good at administrative tinkering to stay the course that they set out in the immediate postwar period. But a conservative coalition is cowed to be found when adjusting to a changed world requires new policies. Or at least,

I have never uncovered one in the 25 years of my own detective work in Japan.

The discovery, made again most recently by the U.S. Treasury Department, that Tokyo's bureaucrats go their own way, hardly even noticing cabinet ministers, is an advance over earlier illusions. And the Ministry of Finance is rightly being seen by foreign governments and corporations as Japan's most powerful entity.

But this has led to a new misunderstanding: the idea that this bunch of officials can substitute for a government, a role way beyond their capacity.

Privately, Japanese officials will sometimes confirm that deviating from old policies is next to impossible for lack of central coordinating mechanisms. But in their capacity as diplomats or negotiators they cannot tell the truth. And because they cannot say it, most officials prevent themselves from believing it.

Taking Mr. Hashimoto to task for Japanese inaction may be like blaming Queen Elizabeth for Britain's political shortcomings, but there is an important difference. Mr. Hashimoto must act as if he is running things. The performance has to be so good that foreigners can be convinced that it is real, and that Japanese can be reassured that their society is at least somewhat democratic.

The Japanese press cooperates by fostering a huge spectacle of make-believe. Relying on this, international reporting consistently distorts Japanese developments.

The ritualistic resignation by Finance Minister Hiroshi Mi-suzuka on Jan. 23 was presented as an opportunity for a policy change, whereas the point of that exercise was maintaining the status quo at the ministry.

Earlier news stories pictured Mr. Hashimoto as trying to establish political control over the bureaucracy through deregulation.

tion of the financial system. In reality, the need for the world's largest pool of household savings to seek higher returns abroad has forced financial bureaucrats to loosen some restrictions, favoring foreign financial institutions. But the ministry has simultaneously gained even more discretionary control over Japanese banks and securities companies.

When applied to Western politics, the term "theatrical" implies hollowness, whereas rituals of make-believe are essential to the maintenance of the Japanese power structure. It survives in its present form because the play-acting prevents leverage over it.

Some history-minded foreigners believe that only then shock of a collapsing economy will produce a political overhaul, rather like Commodore Perry's flotilla in Tokyo Bay forcing the issue of Japanese seclusion in 1853.

Quite a few frustrated members of the Japanese elite appear to wait for just such a hinge of history. But the world can afford a further deterioration of confidence in the Japanese economy. International clamor therefore ought to be urging the Japanese to construct a genuine government.

There are Japanese politicians who know that future well-being demands establishing the controls that they are supposed to exercise.

When foreigners stand patting in Japan's grand political theater, the politically decisive large-circulation newspaper, which speak with one voice on such matters and have long been in bed with the bureaucrats, might give these politicians a chance.

The writer, an author and former journalist, is a professor at the University of Amsterdam. This was distributed by the New York Times Syndicate.

China Plays the Dissident Card

By Jonathan Mirsky

LONDON —

By releasing and deporting the Chinese dissident Wang Bingzhang on Monday, Beijing showed that it has finally learned a lesson: Persecuting well-known political activists harms the image of a state that wants to be an international player.

Mr. Wang, who has been living in Canada and the United States since 1978 when he went abroad in the first wave of students benefiting from Deng Xiaoping's reforms, has been a longtime critic of the Chinese government, especially through his New York-based magazine China Spring. Last month he sneaked back into China under an assumed name.

After contacting a few of the surviving band of dissidents, he was arrested, held for exactly a week, and expelled.

Several of those he met were arrested. One has reportedly been detained, but the others are still released.

For some time, Beijing has been playing the dissident card invented years ago by the Soviet Union, which used to gain brief international goodwill by occasionally freeing someone famous. This was always done to get something in return.

China's most recent example of this was the release in November of Wei Jingsheng, a deal done almost openly, it seemed, at an all-stops-out White House welcome for President Jiang Zemin. Soon afterward came hints that Wang Dan, the

second most famous political prisoner after Mr. Wei, might be freed in order to guarantee a Clinton return visit to Beijing.

Other prisoners have been released, like Mr. Wei, for alleged medical treatment. Indeed, almost all of China's best-known ex-political prisoners are now in the United States.

Han Dongfang, the imprisoned leader of the free trade union movement during Tiananmen who was freed to fly to Boston for medical attention, attempted to enter China a few years ago, was immediately caught, and was thrust across the border into Hong Kong, where he remains.

Harry Wu, the most famous activist of all, who spent many years in the gulag, also attempted to sneak in three years ago, was caught, heavily sentenced and immediately deported.

But Mr. Han had broken no law; he used his real name to re-enter his native land. And Mr. Wu is an American citizen.

Wang Bingzhang was merely a green card holder. The U.S. Embassy was inquiring about him, but he had used a false name to enter China. He could have been tried and convicted.

But he had served his purpose for the Chinese authorities. Shadowed by the Public Security Bureau, he made it easy for his contacts — accomplices, in Beijing's eyes — to be

pinpointed. Some are detained; more may be arrested.

Beijing cannot lose by the policy of getting rid of famous dissidents — not by the firing squad and the gulag but by jettisoning. They no longer form a focus for diplomatic acrimony.

Like the mythical strongmen who lost their strength when their feet left the ground, dissidents from whatever country tend to vanish from sight when they are exiled.

Exile is also a frightening warning to other Chinese political activists. While a few refuse it when offered, after a few years behind bars, and probably some torture, most finally go abroad.

In the meantime, Beijing can continue to persecute obscure activists like the four poets arrested in Guizhou last month, and the friends of Mr. Wang.

China's vast human rights problems at home remain, involving large populations in Muslim Xinjiang and in Tibet. Yet even here, without actually providing any more liberty, the Chinese could win much approval by agreeing to negotiate with the Dalai Lama.

That would look open-minded, it would take years, and China's occupation of Tibet could proceed apace undisturbed by a much muted libertarian cacophony from abroad.

The writer, a former East Asia editor of The New York Times, contributed this column to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Russians Jailed

LONDON — At the Central Criminal Court, Vladimir Bourzeff, journalist, and Klement Wierzbicki, printer, Russian subjects, were charged with soliciting, encouraging and endeavoring to persuade certain persons unknown to murder the Emperor Nicholas II of Russia. The alleged incitements to assassination were contained in a periodical entitled *Narodovolietz*, which was written by Bourzeff and printed by Wierzbicki. Bourzeff was sentenced to eighteen months' and Wierzbicki to two months' hard labor.

1943: Bourgeois Music

MOSCOW — The leading composers of the Soviet Union including Dmitri Shostakovich and Serge Prokofiev, were severely castigated by the central committee of the Communist party for writing music which "strongly smells of the spirit of the current modernist bourgeois music of Europe and America." In its fourth post-war resolution, the central committee accused composers of "anti-democratic tendencies." The resolution called for music reviving the best traditions of the Russian classics which would have widespread mass appeal and foster love of folk art.

1923: Mexican Pistols

PARIS — [The Herald says in an Editorial:] Once upon a time the United States of America was regarded as "the land of the pistol." Now it is the United States of Mexico. Both the His-

Herald Tribune
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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel: (1) 41.43.95.01 Fax: (1) 41.43.92.10 Advertising: (1) 41.43.92.12 News: (1) 41.43.93.38
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S.A.S. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
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OPINION/LETTERS

An Armageddon of Dirty Linen

By Maureen Dowd

WASHINGTON — I was

dreaming a dream.

The front pages were filled with

strange stories about — me!

Strangers were rifling through my

closet and leaving with my skel-

etons. I was mortified to have the

entire country reading about the

time I... well, never mind about

that.

I had fallen asleep after George

Stephanopoulos had ominously

warned on a television news show

that White House allies were con-

sidering the "explosive" strategy

of opening up every sexual closet

in Washington — congressmen,

reporters, pundits.

The president said he would

never resign and I think some

around him are willing to take

everybody down with him. Mr.

Stephanopoulos said.

A sexual Armageddon, a bed-

room doomsday strategy. If Bill

Clinton has to have his dirty linen

aired before the House Judiciary

Committee, the Clintonites will

ensure that there is on clean linen

anywhere.

The former Clinton aide, whose

candor about the president's lack

of candor has deeply stung his

fellow War Room veterans,

dubbed this the "Ellen Ro-

bertsch" strategy.

"She was a girlfriend of John F.

Kennedy who also happened to be

an East German spy," he said.

And Robert Kennedy was

charged with getting her out of the

country and also getting John

Edgar Hoover to go to the Con-

gress and say, "Don't you in-

vestigate this, because if you do,

we're going to open up every-

body's closets."

This new strategy is even more

brutally disgusting than the Clinton-

ites' "he's not perfect but

we're fighting against Starr's fas-

cism and protecting our issues"

routine. If Mr. Clinton's presi-

dency is damaged, it will be a

season of wrath. An apocalypse of

scandal.

It will be simple enough to

show that Bill Clinton is not the

only guy in town who likes to

have young female staffers do

"clerical tasks" for him.

Still, it makes me queasy to

think of Bill and Hillary's

Torquemadas — a vast left-wing

conspiracy — rooting around

in the closets of the veteran rep-

porter, Helen Thomas? It was bad

enough hearing Colorado Gov-

ernor Roy Romer's true confes-

sions. Do we really want to delve

into the sex life of Bob Barr, Re-

publican representative from

Georgia?

This is just the latest step

down on the Clinton moral es-

calator.

First the feminists do loop-the-

loops to rationalize the president's

demeaning treatment of women.

(Senator Carol Moseley-

Braun, Democrat of Illinois, im-

plied on a TV news show that the

Monica Lewinsky story could be

seen as a triumph of Democratic

diversity efforts. "Not so many

years ago, a woman couldn't be a

White House intern.")

Now, confronted with the pros-

pect of House impeachment hear-

ings on Kenneth Starr's informa-

tion, the Clintonites are going

from defending the president's

privacy to threats of invading oth-

ers' privacy.

Their G. Gordon Liddy fangs

are already frightening Republi-

cans, who don't want their bed-

room curtains yanked open and

who hardly relish the prospect of

having Mr. Starr drop his case in

their laps.

While the president zooms to-

ward 100 percent approval, gain-

ing four or five points with every

damaging disclosure, Republi-

cans sense that the public will not

be as kind to them, given the

greater family values hypocrisy

on their side of the aisle.

Some in the Clinton crowd

foresee a game of chicken, where

politicians will have to decide

if they should tell about affairs

or wait to get caught — just as

they did with the touchy baby

boomer issues of marijuana and

the draft.

They suggest that the sex in-

quisition, which they prefer to call

"the coming dialogue," will help

develop cultural norms.

Just as certain weasel phrases

sprang up to excuse drug use ("I

experimented but I didn't enjoy

it") and avoiding the draft ("I did

not serve but I did not get in-

appropriate help to stay out"), so

pols will develop semi-apologies

on sex ("I experimented but I

didn't enjoy it. And she was my

own age.")

I shudder to think of the rush

to confess when the National

Conversation on Indecency be-

gins.

I shudder even more to think of

Representative Dick Gephardt's

press conference where he eagerly

professes that he's never done

anything with anyone of any age

at any time.

And the really terrifying thing

is — I'll believe him.

The New York Times.

Jarring Racial Judgments
From a Man of Justice

By William Raspberry

WASHINGTON — "It is

curious that I've never dis-

cussed it with any black person

I've ever known. What exactly is

hate, and has it to be returned in

kind? Can it afflict its victim with

a muted form — the kind that

doesn't preoccupy, past which one

can smile and function civilly? Can

the tumor, enlarged and

MEANWHILE

hardened over time by a weather

of ceaseless slights, be benign?

"Normal, wouldn't you think,

the injured angry soul's retreat in-

side behind an impenetrable wall

of manners. What have I done with

my pain? ... White-hot hatred

would seem the proper reflex.

"But there is no survival there.

In the autumn of my life, I am left

regarding white people, before

knowing them individually, with

irreducible mistrust and dull

dislike."

These words, from the very

front of Randall Robinson's new

memoir, startle me.

I have, of course, known angry,

white-hating black folk, including

some who will assert that any

black person who doesn't hate

whites has not been paying at-

tention.

But I have seldom heard the

sentiment from people who see

themselves as living lives of the

mind and spirit, and whose work

requires that they operate from a

solid moral base because their pur-

pose is to call humanity to justice.

I am, as I say, startled to read

the acknowledgment of race-

based judgment from Mr. Robin-

son, founding president of the

TransAfrica Forum, a man whom

I have admired and who, for years,

was America's very conscience

on matters relating to Africa and

the Caribbean.

I hasten to say that the book,

"Defending the Spirit: A Black

Life in America," is not about

hatred. It is about Randall Robin-

son's ostensibly successful life

and his commitment to the cause

of Africans in the diaspora.

It is also about his taken-for-

granted view that anyone — par-

ticularly any black person — who

does not agree with his views is

either an unwitting dupe or a will-

ing sellout. And it is decidedly

about his refusal to bite his lip for

anybody.

The book is organized as a series

of vignettes from his life, a large

percentage of them involving ra-

cial slights of one sort or another.

It is not, as I fear I have misled

you into thinking, a racial diatribe.

It is a layered revelation of its

author.

He reveals an unexpected ad-

oration for his late older brother,

Max, television's first black net-

work news anchor, and a slightly

frightening awe of their stern fa-

ther, Coach Robinson. He rarely

expresses much tenderness except

for his present wife, Hazel.

And he reveals a sense of self-

certainty that manifests itself

sometimes in childlike I'm-right-

and-you're-wrong contentous-

ness, sometimes in near-prophetic

moral clarity. Examples of the lat-

ter include his insistence on ap-

plying to Africa's black despots

the same yardstick by which he

measured the champions of South

African apartheid.

There is, early in the book, this

provocative passage: "Mama and

Daddy were the only heroes I've

ever had. Not that other, global

figures I've come to know in

adulthood aren't worthy. But hero

appreciation should be born of a

close and varied knowledge and

must, when healthy, die with

childhood."

What does that mean? Maybe

this. When the heroic Nelson Man-

dela first visited the United States,

Mr. Robinson got him to agree to

attend a fund-raising breakfast for

20 supporters of the then desperate

TransAfrica. At the last minute,

Mr. Mandela called off the

\$5,000-a-plate affair, and Trans-

Africa had to return the money.

Mr. Robinson, already miffed

that he had had to negotiate the

breakfast through a white South

African ambassador, was out-

raged that Mr. Mandela, "the man

I'd spent 18 years of my life work-

ing to free," would stand him up.

And then Mr. Mandela called him

to apologize, without further ex-

planation, for the slight.

He told the princely Mandela:

"I am angry and deeply hurt. I

have never before asked you for

anything. Absolutely nothing. And

you would do this. If it were not

for my organization and its efforts,

you might still be in prison."

Randall Robinson doesn't bite

his lip.

The Washington Post.

LETTERS TO THE EDITOR

Asian Crisis

Regarding "Expect Most of Di-

verse East Asia to Come Storming

Back" (Opinion, Feb. 10) by

Gregory Clark:

Mr. Clark is right to condemn

Western gloating over the Asian

economic crisis. However, there

is ample justification for Western

derision of "Asian values."

First, the chimera of common

Asian values was a device inven-

ted and used by some leaders to

legitimize the authoritarian nature

of their regimes and the suppres-

sion of civil rights.

Indeed, the current financial

collapse exposes the cruel sophis-

try of the argument that cur-

tailing individual liberties was the

necessary and worthwhile price to

pay for economic progress.

Worse, by propagating the myth

that certain positive values — like

a work ethic — were uniquely Asian,

some of Asia's leaders helped turn

healthy national pride into

anti-Western jingoism. As a result,

East-West cooperation in the cur-

rent crisis has been made more

difficult than would otherwise have

been the case. Thus while "Asian

values" may not have caused the

recent collapses, neither will they

cause the eventual recoveries.

TERESA WYSOMIERSKI

Maspeth, New York.

Regarding "Financial Commu-

nity Contributed to the Mess,

Too" (Opinion, Jan. 10) by Jim

Hoagland:

Mr. Hoagland says the world's

financial system itself helped trig-

ger this economic debacle.

One thing is that no one knows

what money is worth. Govern-

ments print paper and declare its

value, but that value is rated only

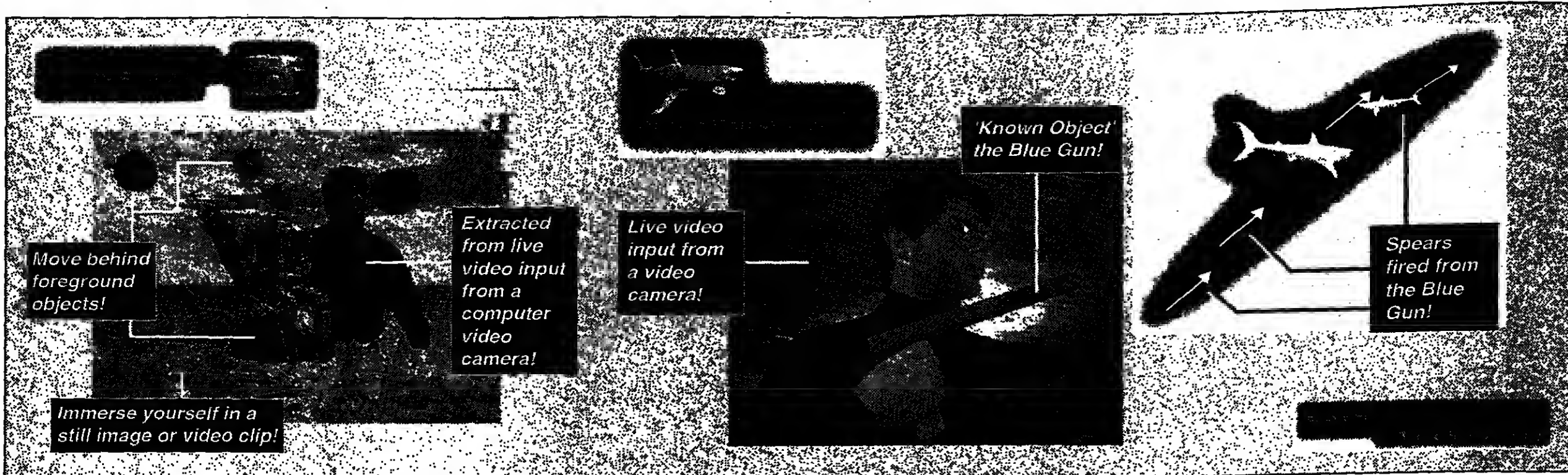
in comparison with other govern-

ments' paper, and none of the

paper is backed by assets of ad-

equate value.

TribTech



Publicity from Realty Fusion Inc.'s Web site, showing what Free Action technology can do. At left, the user has put a live image of himself in the scene. At right a game in which the software recognizes a toy gun held by the player.

Human-Computer Interaction: Doing the Jump and Wave at Demo 98

By Stephen Manes
New York Times Service

INDIAN WELLS, California — At the Demo 98 conference a couple of years ago, the Next Big Thing was a little thing, the Palm Pilot hand-held device. It created a new product category so successful that competitors have been flustering it with sincere imitation.

At Demo 98 here last week, no Big Thing emerged, and several interesting products known to be in the works were nowhere to be seen. This year's most

attractive demonstrations offered creative ways of interacting with computers.

The runaway hit was a technology called Free Action, from Realty Fusion Inc. The technology uses a video camera to display a live image of the user, who can interact with other elements on the screen by "touching" them. You can burst bubbles, play volleyball with an animated character and deliver body blows to a masochistic clown by waving your arms or jumping up and down.

A more militaristic demonstration showed what might happen if a real

estate office put a camera and screen in the window and let you pick what you wanted to see by pointing and waving.

This sort of interaction has been demonstrated before, but almost always on expensive computer systems tricked out with fancy video hardware rather than standard machines with inexpensive video cameras. But the demonstration was more impressive than the reality.

Another standout was a system from Fluent Speech Technologies. Its software tool kit can help programmers take speech, real or synthesized, and mate it to

a synthesized human face called Baldy. The face can disappear to reveal the positioning of lips and tongue as sounds are produced, which might aid in learning languages.

A four-part rendition of "Frère Jacques" in which Baldy sang all the parts with a variety of facial expressions brought down the house.

Several vendors demonstrated improvements in speech-recognition technology. The low point came right after an executive successfully spoke into a telephone to accomplish feats like turning on a light and adjusting a thermostat.

Problems arose with the question, "What do I need to buy today?"

"Reminders are open," the computer replied.

Once more, with feeling: "What do I need to buy today?"

"Reminders are open."

With mounting frustration: "What do I need to buy today?"

"Good-bye," said the system.

Nuance Communications, which makes speech-recognition systems that let people interact with computers over the telephone, had more success with its

brokerage system that used natural speech instead of a menu maze. The software responded to commands like "Buy 100 shares of International Gluten."

Perceptual Robotics Inc. offered just the thing for voyagers: the ability to use the Web to steer and zoom robotic cameras from afar. You get soundless still pictures, rather than video. Lincoln Park Zoo in Chicago lets you see what the tigers are up to this very minute; a camera in the Chicago Palmer House Hilton lobby all but eliminates that hotel as a potential trysting place.

Battling Software Piracy: Cambridge Makes a Breakthrough and Stirs an Outcry

By John Burgess
Washington Post Service

CAMBRIDGE, England — It's a technique that intelligence agencies have used for years: Park a van filled with monitoring gear near an embassy and listen for the faint radio signals that computers routinely emit when they are on. Analyze those signals for clues to the data that are on the computers.

Now researchers at Cambridge Uni-

versity, home of groundbreaking work in intelligence over the years, are trying to adapt this technology to the fight against software piracy. With special codes written into software, they say, computers could be made to broadcast beacons that would carry for hundreds of yards and identify the software they were running, complete with serial numbers of each copy.

Vans run by anti-piracy groups could pull up outside a company's office and count the number of software signals

emanating from it. If, say, 50 beacons for a particular title were detected but the company had licensed only two copies of the software, that could become evidence on which a court would issue a search warrant.

Ross Anderson, a Cambridge lecturer who is overseeing the project, said the idea originated last year when the chairman of Microsoft Corp., Bill Gates, visited the university after his private foundation announced a \$20 million

donation to the school. Mr. Gates told officials that, among other things, he would love the university to come up with new anti-piracy techniques.

So far, Microsoft isn't enthusiastic about the university's approach, Mr. Anderson said. "They have some reservations," he said. "Obviously there are Big Brother aspects." A Microsoft spokeswoman said the company had no plans to adapt the technology.

Emilia Knight, a vice president at

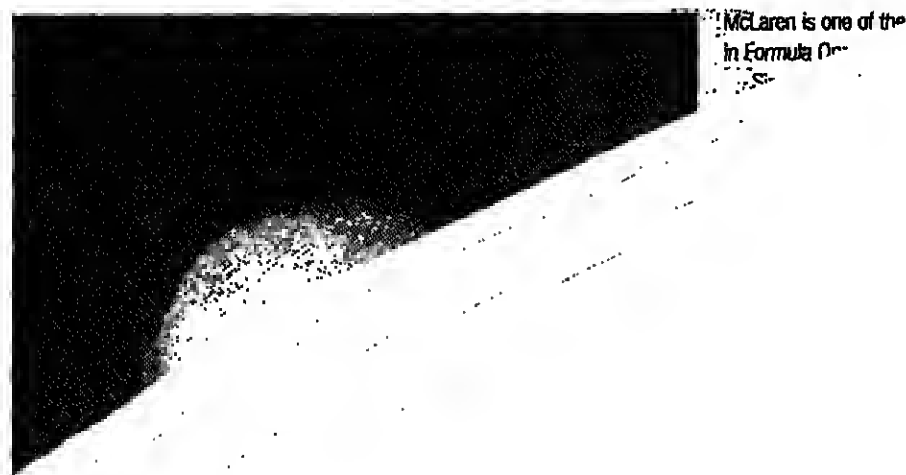
BSA Europe, a trade group that combats software piracy, said such an anti-piracy system might be technically feasible. But she noted many practical questions on the legal side, such as how the system would differentiate between companies pirating software and those legally using multiple copies of programs.

Ms. Knight said concerns of privacy and consumer rights might make the system unusable for industrialized countries. But in areas such as East-

Europe, she suggested, where piracy is rampant and there is no tradition of such protections, the software signal detectors might be acceptable.

Richard Sobel, a political scientist who teaches at Harvard University and researches privacy issues, called it "an appalling idea." He added: "If the technology is there to identify people, people are just going to find a way to use it."

Software Winner



McLaren is one of the in Formula 1.

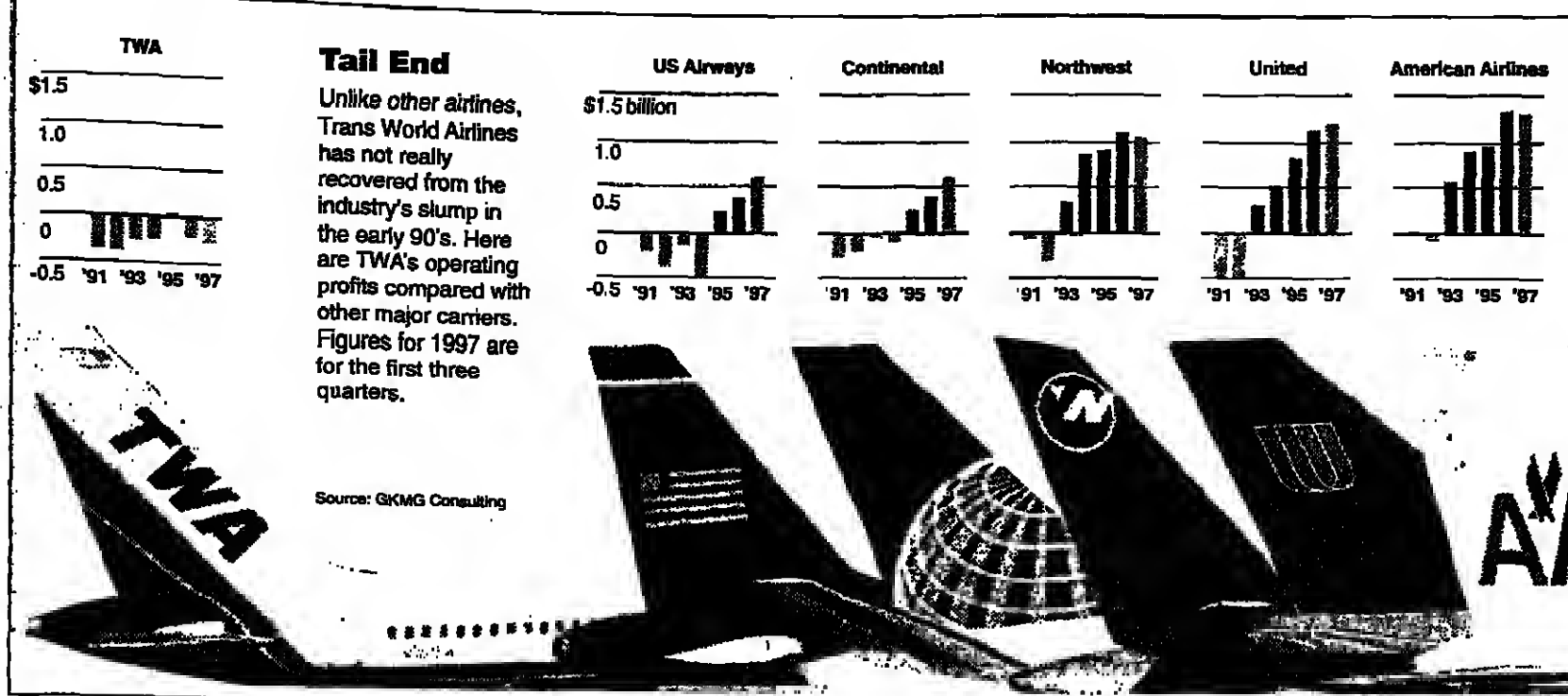
ALT / Commentary

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Market Sides			
Symbol	Price	Change	Volume
DOW JONES			
DOW	7,125.00	+10.00	1,200
NASDAQ			
COMP	2,100.00	+10.00	1,200
NYSE			
NYSE	1,200.00	+10.00	1,200
LONDON			
FTSE	4,500.00	+10.00	1,200
HONG KONG			
HSI	10,000.00	+10.00	1,200
TOKYO			
Nikkei	15,000.00	+10.00	1,200
AUSTRALIA			
ASX	3,000.00	+10.00	1,200
NEW ZEALAND			
SEAX	1,000.00	+10.00	1,200
SOUTH AFRICA			
JOSE	1,000.00	+10.00	1,200
INDONESIA			
KLSE	1,000.00	+10.00	1,200
MALAYSIA			
FTSE	1,000.00	+10.00	1,200
PHILIPPINES			
SEI	1,000.00	+10.00	1,200
THAILAND			
SET	1,000.00	+10.00	1,200
VIETNAM			
HNX	1,000.00	+10.00	1,200
CHINA			
SSE	1,000.00	+10.00	1,200
KOREA			
KOSPI	1,000.00	+10.00	1,200
JAPAN			
TOPIX	1,000.00	+10.00	1,200
EUROPE			
FTSE	4,500.00	+10.00	1,200
AMERICA			
DOW	7,125.00	+10.00	1,200
ASIA			
HSI	10,000.00	+10.00	1,200
OCEANIA			
ASX	3,000.00	+10.00	1,200
AFRICA			
JOSE	1,000.00	+10.00	1,200
MIDDLE EAST			
KLSE	1,000.00	+10.00	1,200
EUROPE			
FTSE	4,500.00	+10.00	1,200
AMERICA			
DOW	7,125.00	+10.00	1,200
ASIA			
HSI	10,000.00	+10.00	1,200
OCEANIA			
ASX	3,000.00	+10.00	1,200
AFRICA			
JOSE	1,000.00	+10.00	1,200
MIDDLE EAST			
KLSE	1,000.00	+10.00	1,200

THURSDAY, FEBRUARY 12, 1998

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Scrappy TWA Proves It Still Flies, but Can It Soar?

By Barnaby J. Feder
New York Times Service

ST. LOUIS, Missouri — Last summer, Wall Street feared that Trans World Airlines was headed for yet another emergency landing in bankruptcy court — its third since 1992. Speculation about bankruptcy has since evaporated, though, as TWA scored impressive gains in efficiency and pulled off a string of refinancing deals that raised nearly \$225 million.

Memories of the still-unexplained explosion of Flight 800 off New York's Long Island in July 1996 have faded. After TWA reported third-quarter earnings that were its best since 1989, its stock soared more than 60 percent, and several analysts added it to their buy lists. The shares were down 43.75 cents at \$11.125 on Wednesday on the American Stock Exchange.

But do not mistake Wall Street's relief for long-term optimism. The company is expected to report a fourth-quarter loss this month and will end 1997 — a year in

which other airlines rode the strong economy and low fuel prices to record profits — with a sizable loss. TWA can survive, but will it prosper?

"We still have to prove we can make money," said Gerald Ginter, 52, who has led the recovery since being named chairman and chief executive late in 1996.

To gain financial altitude, TWA will have to confound the industry experts. Once the United States' biggest airline, it is now No. 7, just ahead of rapidly expanding Southwest.

The common wisdom is that there is no such thing as a lucrative niche for a relatively small carrier such as TWA that is saddled with entrenched unions and the hub-and-spoke structure of the industry giants. In an industry where there is constant talk of mergers and deals such as the alliance of Continental and Northwest, TWA's name is usually among the last mentioned.

Many analysts and industry insiders see TWA's recent rebound as little more

than the latest evidence that it is almost impossible to kill an established airline when the economy is growing.

One industry joke, both a comment on TWA's prospects and a backhanded compliment to its survival skills, has it that the airline business in 2025 will consist of three prospering giants created through mergers and financially strapped TWA. "TWA, not surprisingly, has a rosy vision, based on two core assumptions about the nature of the airline business. The first is that the worst battles of the industry's civil war that followed its deregulation in 1978 are history, leaving TWA and other established airlines organized around impenetrable hubs.

"There's not a whole lot anybody can do to compete but get a lot better where they are," said Michael Palumbo, TWA's chief financial officer.

The second assumption is that TWA is strategically blessed with its St. Louis hub in the heart of the nation and a strong presence at Kennedy Airport,

New York's chief international gateway. Profits will roll in, TWA says, if it can beat other airlines at the fundamentals such as on-time service, getting the right planes for each route and marketing plans that reward frequent-flyer full-fare passengers.

Put it together and you end up early in the next century with a flourishing airline, according to Mr. Palumbo. Revenue might be about \$4 billion, not much larger than today and just one-fourth the size of giants such as United Airlines. But if everything goes right, profit margins could lead the industry, Mr. Palumbo said.

Even after TWA's impressive strides in the past year, such a scenario seems far-fetched. But a gradual return to solid profitability at least seems possible.

TWA's most startling gains have been in on-time service. After starting 1997 as the worst performer among America's 10 biggest airlines, it vaulted to first by summer.

See TWA, Page 15

Business Software Giant Bids for Services Leader

Computer Associates' Shares Fall After Offer

By Mitchell Martin
International Herald Tribune

NEW YORK — One of the world's biggest software companies, Computer Associates International Inc., offered about \$9 billion Wednesday for Computer Sciences Corp. in a bid to enter the market for computer services to businesses.

If successful, the deal would allow Computer Associates to challenge such companies as Andersen Consulting and Electronic Data Systems Corp. in the growing field of providing assistance to companies that need to integrate computers into their decision-making and management.

Computer Sciences is roughly the third-biggest player in this industry, after International Business Machines Corp. and EDS. In combination with Computer Associates, it could offer big businesses both the necessary software and expertise.

Sanjay Kumar, president of Computer Associates, said in a television interview that the two companies had been talking "since December" but had been unable to agree on terms. Computer Associates is offering \$108 in cash for each of Computer Sciences' approximately 78 million shares.

The bid is not exactly a hostile one because, Mr. Kumar said, Computer Associates is not making a tender offer or waging a proxy battle for seats on Computer Sciences' board — yet. He refused to rule out those options but said Computer Associates had never engaged in a hostile takeover and was asking Computer Sciences' managers and directors to let shareholders decide the matter.

In a letter to Van Hooycutt, the chairman of Computer Sciences, Mr.

Kumar said the price offered was a 35 percent premium on the stock price in mid-December, when the companies began their discussions. Computer Sciences' stock has risen steadily since then, but it still jumped \$11.5625 to close at \$103.75. Computer Associates shares tumbled \$7.75 to \$50.3125.

The stock-price action indicates that investors think Computer Associates will not show immediate gains from the acquisition if the deal goes through. In fact, the hefty price it is offering is expected to dilute its earnings in the near term.

"Strategically," said Paul Dravis of Nationsbank Montgomery Securities in San Francisco, "it is a good move. The question is how dilutive this deal is."

Computer Associates would not address that issue directly. A spokeswoman said only, "It could potentially be dilutive over a couple of years."

So why does Computer Associates, a company that writes programs for corporate computers, want to pay such a hefty price for Computer Sciences?

"Because," Mr. Dravis said, "they have 42,000 professional service staff — that's what they are after."

The Computer Associates spokeswoman confirmed that the bid aimed at expanding the company into the services business. She quoted Chairman Charles Wang as saying that the two companies had almost 100 percent overlap among clients.

Mr. Kumar, in his letter to Mr. Hooycutt and on television, took pains to point out that Computer Associates was not planning layoffs. The letter promised stock options and other incentives to "key managers and employees." It also said Computer Associates "was com-

See DEAL, Page 12

Dow Corning Drops Plan For South Korean Plant

Bureaucrats Blamed for 'Inconsistent Policies'

By Don Kirk
International Herald Tribune

SEOUL — A battle between Dow Corning Co. and local bureaucrats has ended with the American chemical giant giving up its plans to build a plant in South Korea, a decision that dramatized the difficulties facing foreigners trying to invest here.

The president of Dow Corning Korea, Kim Sun Mo, said Wednesday that "inconsistent policies" of key government ministries were at fault.

Foreigners are scouring this depressed economy in search of bargains but are either coming up empty or waiting to see whether rules and attitudes change after the inauguration of Kim Dae Jung as president Feb. 25.

South Korean companies are increasingly looking to foreign investors to bring in badly needed capital. Samsung Motors Inc. said Wednesday that it was negotiating with possible foreign partners for an alliance that would be aimed at rescuing its embryonic motor vehicle factory here.

In addition, policymakers for the incoming administration proposed that the government sell shares overseas in Pohang Iron & Steel Co., known as

POSCO, and four other large state-owned companies — Korea Telecom, Korea Heavy Industries & Construction, Korea Gas Corp. and Korea Tobacco & Ginseng Corp. — that it may privatize as a way to bring more money into the country.

An unpredictable element in the efforts to attract foreign capital is the attitude of thousands of workers who are faced with layoffs. The militant Korean Confederation of Trade Unions has threatened a strike of "indefinite" duration by its 600,000 members beginning Friday to protest legislation that would legalize the firing of workers who previously were guaranteed lifetime employment.

Labor, management and government agreed on the legislation last Friday, and the government warned that it would take action against strikers.

If they go ahead with "illegal strikes and actions," the government "has no choice but to prevent them," Labor Minister Lee Ki Ho said.

The Seoul stock market's main index, reflecting the strike threat, closed Wednesday at 520.15, a drop of 21.62 points or 4 percent from Tuesday.

See WON, Page 15

Bank of England Signals Rate Rise to Stem Inflation

By Tom Buerkle
International Herald Tribune

LONDON — The Bank of England signaled Wednesday that it was likely to raise interest rates to head off potential inflation brought on by Britain's buoyant economy and low unemployment.

The central bank voiced its concerns as the government reported that unemployment fell by 12,300 persons to 1,398 million in January, or 5 percent of the work force. It was the 23d consecutive monthly decline in the jobless rate, which is among the lowest in Europe and well below the 12 percent rates prevailing in Germany, France and Italy.

The pound rose sharply in anticipation of higher rates after the central bank, in its quarterly inflation report, cited signs of an inflationary rise in wage settlements at the start of this year. Average earnings won by workers in private companies are rising at a rate of more than 5 percent a year, the bank said.

"The odds are that a further rise in interest rates will be necessary to hit the inflation target," said Mervyn King, a member of the bank's Monetary Policy Committee.

The report and other recent data indicate that Britain's economy has not been slowed as much as expected by the five-quarter-point rate increases over the last nine months, to the current level of 7.25 percent, or by the recent deterioration of Asian economies.

The reason appears to lie in the strength of the services sector, which accounts for fully two-thirds of economic output and is less affected by the pound or Asian demand than tradable goods like automobiles or chemicals, analysts said. With unemployment continuing to fall and wage growth accelerating, "I don't see many signs that things are slowing down," said Richard Jeffrey, an economist at Charterhouse Tilney Securities.

The report underscored the continued sharp economic divergence between Britain and Continental Europe that will complicate any attempt by the government to join a single European currency early in the next decade. The bank's warning of the risk of higher inflation and higher interest rates in Britain coincided with a fall in German interest rates after the government reported that united Germany's inflation rate fell to a

record low of 1.3 percent in January.

The central bank's report caught financial markets by surprise, coming one day after the January inflation figures showed that retail-price inflation, excluding mortgages, fell to 2.5 percent, equal to the government's target. Some analysts also saw signs of weakness in the jobs report, as the fall in unemployment was only half as large as the recent average.

The pound rose more than 1 percent to 2.9723 Deutsche marks late Wednesday from 2.9379 DM on Tuesday, as traders bet on higher rates that would make sterling more attractive to hold.

In the bond market, however, investors apparently put more weight on the central bank's suggestion that any rise in rates would be reversed quickly as economic growth slows.

The yield on the benchmark 10-year bond fell to 5.97 percent from 6.01 percent Tuesday.

In its report, the Bank of England released minutes that showed the first serious split on the Monetary Policy Committee in January, with three of the eight members favoring an interest-rate hike. The bank did not act then, or at last

week's meeting, and analysts expect it to hold fire next month to await further economic data and any tax changes in the government's budget. But many analysts expect rates to rise to 7.5 percent or higher by the summer.

The problem for the bank and private analysts is one of confusing data and uncertain timing. Economic growth slowed to 0.5 percent in the fourth quarter of last year from 0.8 percent in the third, and industrial production has fallen for five straight months. The central bank expects that growth will slow to 1.75 percent in 1998 from 3.1 percent in 1997.

Wages are accelerating, however, and skills shortages persist, especially in areas like computer programming because of the year 2000 problem.

Barclays Bank recently gave its information technology staff a 10 percent pay rise. And preparations for the introduction of a national minimum wage later this year are boosting pay at the bottom of the scale. McDonald's last month awarded pay increases of 8 to 12 percent.

"There are quite a lot of pressures there," said Alistair Hatcher of Incomes Data Services, a private research firm.

Inco Slashing Jobs to Return to Profit

Bloomberg News

TORONTO — Inco Ltd. plans to fire 1,175 employees, slash its quarterly dividend 75 percent and take other steps to save 165 million Canadian dollars (\$115 million) a year by 1999 under a plan to restore profit at the nickel miner.

The measures will result in a \$50 million pretax charge in the current quarter for severance payments and a \$14 million write-down of assets.

Inco expects to save about \$75 million annually by cutting 1,000 jobs in Ontario. The other 175 job cuts will come in Manitoba.

Inco also will shut its New York office and cut other office expenses to save \$19 million annually. It will consolidate marketing, purchasing and engineering functions, saving an estimated \$52 million a year. Its quarterly dividend will fall to 2.5 cents a share from 10 cents a

share beginning with the dividend payable March 13.

Inco will cut its 1998 capital budget by \$50 million and annual exploration spending by \$15 million a year and drop its research and development budget by \$4 million. The company also plans to sell \$85 million in assets in 1998.

Inco shares were down 80 Canadian cents a share in late trading Wednesday in Toronto, at 24.50 dollars.

IHT Teams Up With Athens Newspaper

International Herald Tribune

PARIS — The International Herald Tribune and the Greek newspaper Kathimerini announced Wednesday that they were joining forces to publish a daily newspaper in Athens that will include the full edition of the IHT and a daily section in English from Kathimerini.


The combined newspaper will be launched in early March. The section from Kathimerini will include the day's news of Greece, including economics, commentary and entertainment listings.

The IHT will be printed on the Kathimerini presses. Athens thus becomes the 15th worldwide print site for the IHT, which is jointly owned by the New York Times and Washington Post companies.

The English-language section produced by Kathimerini will compete with The Athens News, an English-language daily.

CURRENCY & INTEREST RATES

Cross Rates									
	US	UK	FR	DM	JP	CHF	SEK	NOK	DKK
Australian	1.08	0.68	0.65	0.62	0.60	0.58	0.56	0.54	0.52
Canadian	0.71	0.44	0.42	0.40	0.38	0.36	0.34	0.32	0.30
European	0.65	0.40	0.38	0.36	0.34	0.32	0.30	0.28	0.26
Japanese	0.007	0.004	0.004	0.003	0.003	0.002	0.002	0.002	0.002
Swedish	0.013	0.008	0.008	0.007	0.006	0.005	0.004	0.004	0.003
Swiss	0.65	0.40	0.38	0.36	0.34	0.32	0.30	0.28	0.26
Thai	0.025	0.015	0.014	0.013	0.012	0.011	0.010	0.009	0.008
US Dollar	1.00	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
UK Pound	1.56	1.00	0.95	0.92	0.89	0.86	0.83	0.80	0.77
FR Franc	6.55	4.03	1.00	0.95	0.92	0.89	0.86	0.83	0.80
DM Mark	1.93	1.18	1.06	1.00	0.95	0.92	0.89	0.86	0.83
JP Yen	136	82	75	72	69	66	63	60	57
CHF Swiss	0.75	0.45	0.42	0.40	0.38	0.36	0.34	0.32	0.30
SEK Swedish	8.00	4.80	4.50	4.30	4.10	3.90	3.70	3.50	3.30
NOK Norwegian	6.46	3.90	3.60	3.40	3.20	3.00	2.80	2.60	2.40
DKK Danish	13.66	8.20	7.46	7.16	6.86	6.56	6.26	5.96	5.66
Other Dollar Values									
Argentine	1,000	600	550	520	500	480	460	440	420
Australian	1.08	0.68	0.65	0.62	0.60	0.58	0.56	0.54	0.52
Canadian	0.71	0.44	0.42	0.40	0.38	0.36	0.34	0.32	0.30
European	0.65	0.40	0.38	0.36	0.34	0.32	0.30	0.28	0.26
Japanese	0.007	0.004	0.004	0.003	0.003	0.002	0.002	0.002	0.002
Swedish	0.013	0.008	0.008	0.007	0.006	0.005	0.004	0.004	0.003
Swiss	0.65	0.40	0.38	0.36	0.34	0.32	0.30	0.28	0.26
Thai	0.025	0.015	0.014	0.013	0.012	0.011	0.010	0.009	0.008
US Dollar	1.00	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
UK Pound	1.56	1.00	0.95	0.92	0.89	0.86	0.83	0.80	0.77
FR Franc	6.55	4.03	1.00	0.95	0.92	0.89	0.86	0.83	0.80
DM Mark	1.93	1.18	1.06	1.00	0.95	0.92	0.89	0.86	0.83
JP Yen	136	82	75	72	69	66	63	60	57
CHF Swiss	0.75	0.45	0.42	0.40	0.38	0.36	0.34	0.32	0.30
SEK Swedish	8.00	4.80	4.50	4.30	4.10	3.90	3.70	3.50	3.30
NOK Norwegian	6.46	3.90	3.60	3.40	3.20	3.00	2.80	2.60	2.40
DKK Danish	13.66	8.20	7.46	7.16	6.86	6.56	6.26	5.96	5.66
Forward Rates									
30-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
60-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
90-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
120-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
150-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
180-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
210-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
240-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
270-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
300-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50
360-day	1.025	0.65	0.62	0.60	0.58	0.56	0.54	0.52	0.50



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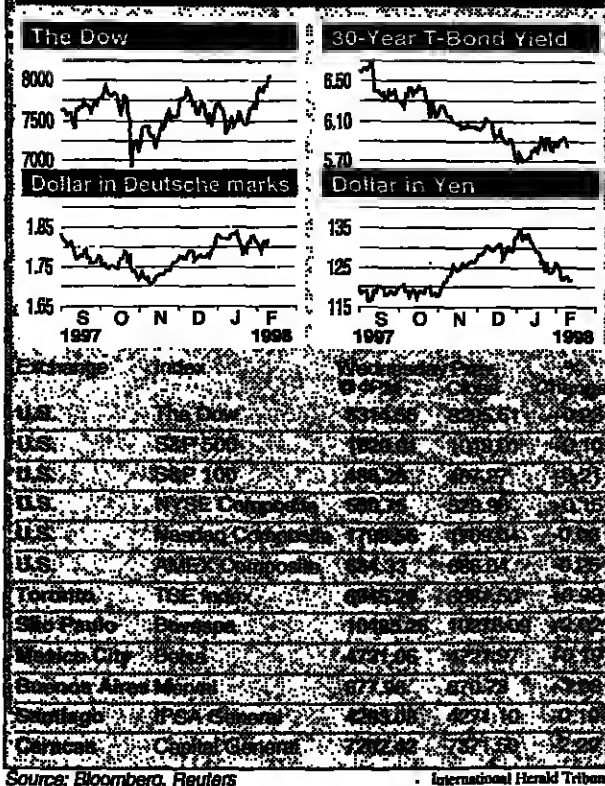
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THE AMERICAS

Investor's America



Very briefly:

- Boeing Co. plans to hire as many as 400 of the recently fired workers from the National Aeronautics and Space Administration's space shuttle program in Florida and Texas as its workload increases on space projects.
- America Online Inc. reported a second-quarter profit of \$20.8 million amid lower marketing costs and higher ad revenues and fees. The on-line service provider posted a loss of \$129.1 million in the year-earlier quarter. Revenue grew 45 percent to \$592 million.
- AirNet Systems Inc. is buying Quick International Courier for \$92 million, expanding its small-package operations.
- Amoco Corp. backed out of a joint bid with RAO Rosneft for the right to develop the Khorovod Depression, a major oil and gas deposit in northern Russia's Timan Pechora region, Ipfertax said Wednesday.

Albright to Decide in Total SA Case

WASHINGTON—Secretary of State Madeleine Albright will soon decide whether sanctions should be imposed on France's Total SA and two other non-U.S. companies for their natural-gas deal with Iran, James Rubin, a State Department spokesman, said Wednesday.

The secretary will be making a determination soon about the sanctionability question, Mr. Rubin said. Mr. Rubin would not specify when a decision would be made and, in reply to questions, would not rule out a decision being announced this week.

Since last autumn, the State Department has been reviewing whether a \$2 billion deal entered into by Total, Russia's RAO Gazprom and Malaysia's Petronas to develop a major Iranian gas field violates a U.S. law that seeks to punish companies that invest more than \$20 million in Iran or Libya.

Mrs. Albright can impose sanctions, waive sanctions for reasons of national security or enter into consultations with the government concerned to resolve the issue.

ING Barings Sets Some Closures

NEW YORK—ING Barings is closing its equity businesses in Latin America, India and Pakistan and firing about 280 employees to focus on more profitable areas, executives said Wednesday.

ING Barings, a unit of ING Groep NV, a Dutch financial-services company, has one of the most extensive branch networks in emerging markets for research and trading in local securities. Its offices in Latin America stretch from Havana to Santiago, Chile.

"Some market conditions are not as they used to be, so market demand is a bit lower," Rudi Pollet, a spokesman for ING Groep, said.

The Latin American equity trading, sales and research team has at least 100 employees, officials said. ING Barings plans to fire about 50 workers in India,

Pakistan and Hong Kong, a person familiar with the company said.

ING Barings has seen its Latin American business squeezed as foreign banks have rushed to open offices in the region, especially in

Offices in Latin America, India and Pakistan are to be cut.

Brazil, which is considered one of the world's most competitive investment banking markets.

Although ING Barings' asset-management business in Latin America grew in 1995 with ING's purchase of Barings PLC, which long had a presence in the region, it subsequently suffered from poaching by other banks.

For example, ING Barings lost 60 members of its Latin American equities, sales and research team to Deutsche Morgan Grenfell in 1996.

Jessica Oppenheim, an ING Barings spokeswoman in New York, declined to say whether the bank had been losing money in Latin America.

ING Barings has a highly regarded team, but a spokeswoman in London said that because of high infrastructure costs, the bank would have been unlikely to see a profit from Latin American equities in the medium term.

"We've been reviewing the cost base of the business in the last few months after the collapse of the Asian markets," the spokeswoman said, "and we found that these equity operations were long on infrastructure costs and low on revenue." (Bloomberg/Reuters)

DEAL: A Business Software Giant Offers \$9 Billion for Computer Sciences

Continued from Page 11

mitted to making sure that all of the members of Computer Sciences were "welcomed into the combined company with open arms."

But he told analysts later that it was not yet certain whether Mr. Honeycutt would remain.

For its part, Computer Sciences did not have a comment ready. A spokesman said the company was studying the offer.

Allie Young, who follows Computer Sciences for Dataquest Worldwide Services, said she was surprised by the bid.

"It's not the announcement we would have expected for Computer Sciences," she said, saying that the company had grown previously by acquiring smaller companies in its

own business, adding key skills in advising various industries.

That strategy "can be very beneficial for both parties," she said, as the buyer gains the target's skills, while the acquired company has access to more customers and the resources of a larger corporation.

But in the latest move, Ms. Young said, there was no obvious benefit for Computer Sciences, beyond the premium paid to its shareholders. She said it would make sense from Computer Sciences' point of view to either continue buying companies in its industry or to be acquired by one.

But the Computer Associates spokeswoman said the two companies have been working together, especially with a Computer Associates' program, Unicenter TNG, which is used to run an entire busi-

ness's computing, from payroll and accounting to refrigeration units.

Computer Associates trails only Microsoft Corp. and Oracle Corp. in sales among the world's independent makers of software. It was founded in 1976 by Mr. Wang, who fled China in 1952. The company said it sells more than 500 programs for commercial users. Although it, like Computer Sciences, has grown by integrating acquisitions over the years, it is much smaller in terms of employees, with 11,000 people spread over 160 offices in 43 countries.

The combined company, Computer Associates said, would have annual sales of about \$11 billion, making it roughly the same size as Microsoft. Computer Associates had sales of \$4.5 billion last year. Separately, Reuters reported

German Price Data Give a Lift to Dollar

Bloomberg News

NEW YORK—The dollar rose against the Deutsche mark Wednesday as German reports showed flagging consumer demand and the inflation rate at a seven-year low, reinforcing the belief that German interest rates are on hold.

Germany said its consumer prices were unchanged in January, leaving the inflation rate at its lowest level since German reunification in 1990. Separately, the Bundesbank said retail sales dropped in December. That contrasted with recent U.S. reports showing growth with tame inflation.

"You want to buy dollars against European currencies because the U.S. is much stronger than Germany," said Andrew Hodge, a currency strategist at Bank Brussels Lambert in New York. "The German economy is still sputtering."

The dollar rose to 1.8190 DM from 1.8072 DM on Tuesday. It also rose to 123.51 yen from 123.20 yen as traders scaled back expectations that Japan's government will soon spend more to revive moribund domestic demand.

Hans-Juergen Koebnick, a Bundesbank council member, reinforced the idea that German

FOREIGN EXCHANGE

rates were on hold, saying "there are no inflationary pressures."

The dollar got an added boost against the mark from a surge in sterling. Traders rushed to sell marks and buy pounds after the Bank of England said in a quarterly report that it may need to raise rates again to keep inflation at bay.

"The mark is looking pretty soft," said Jeremy Stretch, a currency strategist at NatWest Markets. "With record unemployment hitting consumption, it's highly unlikely rates will rise anytime soon. By contrast, you have a buoyant consumer sector in the U.K."

The yen gave up some of its recent gains as traders and investors doubted that Japanese government measures to lift the economy out of a seven-year slump would succeed.

The governing Liberal Democratic Party next week will unveil a plan that is expected to pump funds into the economy through a combination of tax cuts and spending measures.

"The vote is still out whether this is really a tangible stimulus package," said Robert Sabia, a currency trader at ING Barings Capital Markets.

The yen has risen more than 8 percent since it fell to a five-and-a-half-year low Jan. 7, propelled by expectations that the government is on the verge of adopting sweeping measures to get its economy going. It also was lifted by signs that Asian market turmoil may be receding.

Japanese markets were closed Wednesday for a holiday.

While Japanese and German recoveries struggle to get off the ground, the U.S. economy is growing steadily, though inflation appears to be a check.

"You've got strong noninflationary growth in the U.S. and that's good for the dollar," Mr. Stretch said.

Against other currencies, the dollar rose to 1.4624 Swiss francs from 1.4607 francs and climbed to 6.0955 French francs from 6.0605 francs. The pound was quoted at \$1.6325, up from \$1.6258.

Dekalb Soars as Monsanto Shows Interest

Bloomberg News

ST. LOUIS—Dekalb Genetics Corp. put itself up for sale Wednesday, and Monsanto Co. immediately said it might buy the 60 percent of the seed company it did not yet own as it seeks to head off rival bids and strengthen its position in genetically engineered crops.

Dekalb Genetics' shares surged \$19.50, or 59 percent, to close at \$52.625 on the New York Stock Exchange. Monsanto fell \$1.50 to \$51.25.

Seed companies have risen in value in recent years as biotechnology companies value them as essential distributors of genetically engineered crops used in crop production.

"I wouldn't be surprised at any price," a senior vice president, given the recent interest in seed producers, said Jonathan Bratz, an analyst at George K. Baum & Co.

This is going to determine pretty quickly who the major players are," said Douglas Groh of Merrill Lynch & Co. He said there was only a limited number of other bidders for Dekalb in an industry that has been consolidating rapidly. Monsanto has spent \$2 billion over the past two years to acquire seed and biotechnology operations for it to compete in the market for biogenetically crops. Monsanto and Dekalb have jointly produced genetically engineered corn seed that resists Monsanto's Roundup herbicide.

AMEX

Wednesday's 4 P.M. Close

The 300 most traded stocks of the day, up to the closing on Wall Street. The Associated Press.

Stock	High	Low	Open	Close
IBM	124 1/4	124 1/4	124 1/4	124 1/4
Microsoft	54 1/4	54 1/4	54 1/4	54 1/4
Oracle	47 1/4	47 1/4	47 1/4	47 1/4
Comcast	27 1/4	27 1/4	27 1/4	27 1/4
Verizon	27 1/4	27 1/4	27 1/4	27 1/4
AT&T	27 1/4	27 1/4	27 1/4	27 1/4
Time Warner	27 1/4	27 1/4	27 1/4	27 1/4
News Corp.	27 1/4	27 1/4	27 1/4	27 1/4
Disney	27 1/4	27 1/4	27 1/4	27 1/4
Amgen	27 1/4	27 1/4	27 1/4	27 1/4
Boeing	27 1/4	27 1/4	27 1/4	27 1/4
General Electric	27 1/4	27 1/4	27 1/4	27 1/4
Johnson & Johnson	27 1/4	27 1/4	27 1/4	27 1/4
Pfizer	27 1/4	27 1/4	27 1/4	27 1/4
Merck	27 1/4	27 1/4	27 1/4	27 1/4
Novartis	27 1/4	27 1/4	27 1/4	27 1/4
Schering-Plough	27 1/4	27 1/4	27 1/4	27 1/4
Amgen	27 1/4	27 1/4	27 1/4	27 1/4
Boeing	27 1/4	27 1/4	27 1/4	27 1/4
General Electric	27 1/4	27 1/4	27 1/4	27 1/4
Johnson & Johnson	27 1/4	27 1/4	27 1/4	27 1/4
Pfizer	27 1/4	27 1/4	27 1/4	27 1/4
Merck	27 1/4	27 1/4	27 1/4	27 1/4
Novartis	27 1/4	27 1/4	27 1/4	27 1/4
Schering-Plough	27 1/4	27 1/4	27 1/4	27 1/4

U. S. STOCK MARKET DIARY

Indexes

The 300 most traded stocks of the day, up to the closing on Wall Street. The Associated Press.

Index	High	Low	Open	Close
Dow Jones	11,742 1/4	11,742 1/4	11,742 1/4	11,742 1/4
S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Dow Jones	11,742 1/4	11,742 1/4	11,742 1/4	11,742 1/4
S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Dow Jones	11,742 1/4	11,742 1/4	11,742 1/4	11,742 1/4
S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4

INTERNATIONAL FUTURES

Feb. 11, 1998

The 300 most traded stocks of the day, up to the closing on Wall Street. The Associated Press.

Index	High	Low	Open	Close
Dow Jones	11,742 1/4	11,742 1/4	11,742 1/4	11,742 1/4
S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Dow Jones	11,742 1/4	11,742 1/4	11,742 1/4	11,742 1/4
S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Dow Jones	11,742 1/4	11,742 1/4	11,742 1/4	11,742 1/4
S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4

INTERNATIONAL FUTURES

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S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Dow Jones	11,742 1/4	11,742 1/4	11,742 1/4	11,742 1/4
S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Dow Jones	11,742 1/4	11,742 1/4	11,742 1/4	11,742 1/4
S&P 500	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Standard & Poor's	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
NYSE	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4
Nasdaq	2,742 1/4	2,742 1/4	2,742 1/4	2,742 1/4
AMEX	1,174 1/4	1,174 1/4	1,174 1/4	1,174 1/4

INTERNATIONAL FUTURES

Feb. 11, 1998

The 300 most traded stocks of the day, up to the closing on Wall Street. The Associated Press.

3066		Open bid: 133,975 up \$4.00.	
ITALIAN GOVERNMENT B. FTL 2000000, 100 p. 100 p.			
Mar	113.24	113.24	100
Apr	117.42	117.42	100
Est. notes	55.64	55.64	100
Apr	145.53	145.53	100
LIBER 1-MONTH C/MR \$3 million, 100 p. 100 p.			
Mar	94.26	94.26	94.26
Apr	94.26	94.26	94.26
Est. notes	94.26	94.26	94.26
Apr	94.26	94.26	94.26
EURODOLLARS C/MR \$1 million, 100 p. 100 p.			
Mar	94.26	94.26	94.26
Apr	94.26	94.26	94.26
Est. notes	94.26	94.26	94.26
Apr	94.26	94.26	94.26
BRITISH POUND C/MR £2 million, 100 p. 100 p.			
Mar	1.61	1.61	1.61
Apr	1.61	1.61	1.61
Est. notes	1.61	1.61	1.61
Apr	1.61	1.61	1.61
CANADIAN DOLLAR C/MR 100,000 dollars, 1 p. 100 p.			
Mar	67.70	67.70	67.70
Apr	67.70	67.70	67.70
Est. notes	67.70	67.70	67.70
Apr	67.70	67.70	67.70
GERMAN MARK C/MR 100,000 marks, 1 p. 100 p.			
Mar	55.00	55.00	55.00
Apr	55.00	55.00	55.00
Est. notes	55.00	55.00	55.00
Apr	55.00	55.00	55.00
JAPANESE YEN C/MR ¥100,000, 100 p. 100 p.			
Mar	81.99	81.99	81.99
Apr	81.99	81.99	81.99
Est. notes	81.99	81.99	81.99
Apr	81.99	81.99	81.99
SWISS FRANC C/MR 125,000 francs, 1 p. 100 p.			
Mar	48.93	48.93	48.93
Apr	48.93	48.93	48.93
Est. notes	48.93	48.93	48.93
Apr	48.93	48.93	48.93
MEXICAN PESO C/MR 500 pesos, 100 p. 100 p.			
Mar	11.88	11.88	11.88
Apr	11.88	11.88	11.88
Est. notes	11.88	11.88	11.88
Apr	11.88	11.88	11.88
3-MONTH STERLING C/MR £1 million, 100 p. 100 p.			
Mar	92.28	92.28	92.28
Apr	92.28	92.28	92.28
Est. notes	92.28	92.28	92.28
Apr	92.28	92.28	92.28
3-MONTH POUND C/MR £1 million, 100 p. 100 p.			
Mar	94.26	94.26	94.26
Apr	94.26	94.26	94.26
Est. notes	94.26	94.26	94.26
Apr	94.26	94.26	94.26
3-MONTH EURO (MATH) €1 million, 100 p. 100 p.			
Mar	94.26	94.26	94.26
Apr	94.26	94.26	94.26
Est. notes	94.26	94.26	94.26
Apr	94.26	94.26	94.26
3-MONTH EURO (LIFE) €1 million, 100 p. 100 p.			
Mar	94.26	94.26	94.26
Apr	94.26	94.26	94.26
Est. notes	94.26	94.26	94.26
Apr	94.26	94.26	94.26

EUROPE

Realignment Speeds Up In Italian Bank Industry

Mediobanca and IMI Set Big Expansions

Reuters

MILAN — The map of Italian banking was redrawn Wednesday when the boards of a leading merchant bank, Mediobanca, and its main rival, Istituto Mobiliare Italiano SpA, approved ambitious expansion projects.

After spending the postwar years frozen in what a former prime minister called "a petrified forest," Italy's largest banks are engaged in a frantic merger scramble to create bigger institutions capable of competing in a single-currency, cross-border business environment.

"Clearly there's a great deal of panic in banking circles about being the last one standing when the market stops," said the head of trading at a Milan brokerage.

Mediobanca's board of directors proposed a capital increase that would raise nearly 7 billion lire (\$3.9 billion) for the 350 million new shares were to be sold at the current trading price of 19,000 lire each. The bank did not release financial details of the operation.

The bank said part of the capital would be used to take up its share in the insurer Assicurazioni Generali's capital increase, which is raising the money to fund overseas expansion. The rest of the money will be used "to finance its expansion in investment banking and asset management," it said.

Mediobanca is expected to unveil a project in the near future that would strengthen its long-standing alliances with Generali and Banca Commerciale Italiana, analysts said.

Mediobanca, legendary for the secrecy with which it conducts its affairs, has not informed shareholders how it plans to use the large sum of money it will ask them for, Italian newspapers said.

Rome-based IMI's board, meanwhile, approved plans for the formerly state-controlled bank to merge with Isti-

tuto Bancario San Paolo di Torino, or San Paolo, to create Italy's largest bank. IMI's main shareholders have already said they favor the merger.

IMI's board of directors gave the chief executive, Rainer Masera, a mandate to come up with a merger plan rapidly, it said. Mr. Masera said the integration of the two banks would enable them to strengthen their "respective leadership positions in the Italian market" and could create "important reference points for successive aggregations in Italy and overseas."

The merged bank will have the leading market share in asset management, one of Italy's biggest branch networks and strong capital-markets operations.

Monte dei Paschi di Siena lifted its objections to the IMI-San Paolo alliance at a board meeting Tuesday. MPS holds a 10 percent stake in IMI.



IN SYNCH — Fiat's managing director, Paolo Cantarella, left, with Nicola Pughin, president of OAO GAZ, center, and Reinhard Schmoelz of the European Bank for Reconstruction and Development, concluding an \$850 million car venture Wednesday.

German Inflation Falls to 7-Year Low of 1.3%

Bloomberg News

WIESBADEN, Germany — Weak retail sales and falling energy prices helped push Germany's annual inflation rate to a seven-year low, government reports showed Wednesday, prompting predictions that the central bank would not raise interest rates soon.

Consumer prices were unchanged in January, the Federal Statistics Office said, cutting the annual inflation rate to 1.3 percent. That was the lowest since Germany was unified in 1990. The government started compiling statistics for the unified Germany a year later.

"The inflation outlook is very good," said Hans-Juergen Meltzer, an economist at Deutsche Bank AG. "The Bundesbank won't do anything for the first half of the year, and if they do raise after that, it won't be very much at all."

German bond prices rose after the reports. That pushed the yield on the benchmark 10-year government bond down four basis points to 5.02 percent, two basis points, or hundredths of a percentage point, above an all-time low.

Sluggish consumer demand showed up in a separate report that retail sales fell 1.4 percent in

December from a year earlier. Sales also fell an inflation-adjusted 1.4 percent for all 1997 as record joblessness kept shoppers from spending. It was the fifth year in the past six that sales have declined.

Analysts predict that inflation will continue to be held in check this

year, reasoning that economic problems in Asia will force companies to keep prices low. Domestic consumption could increase, however, if unemployment falls or stabilizes. Germany's seasonally adjusted jobless rate fell to 11.6 percent in January from 11.8 percent in December.

Energy Group Stock Gyrate After Nomura Loses Interest

Compiled by Our Staff From Dispatches

LONDON — The withdrawal of one of three possible bidders for Energy Group PLC buffeted the stock of the British power company Wednesday and left the market focusing on the only official bid made so far.

Nomura International PLC said late Tuesday that it had withdrawn from talks about a possible offer "solely for reasons of price."

It would have been competing with a revised £4.06 billion (\$6.59 billion) offer from PacificCorp, made Feb. 3, that Energy Group has endorsed.

Energy Group shares, which initially fell 5 pence Wednesday, finished up 6 pence at 77.4.

Nomura's exit leaves Texas Utilities Co. as the only likely obstacle to PacificCorp becoming the 11th American company to buy a British power company since

1995. Texas Utilities said late Tuesday that it remained interested in Energy Group and was considering whether to bid on it.

"Any such offer would need to compare favorably with PacificCorp's renewed offer, which expires on March 9 unless extended," Nomura said it had withdrawn because it could not agree with a third party on selling Peabody Holding, an Energy Group unit that is the largest private coal company in the United States. Sources familiar with the talks said Lehman Merchant, a Lehman Brothers Inc. unit, was the third party.

Lehman Brothers International, a unit of Lehman Brothers Inc., and Merrill Lynch & Co. are advising Texas Utilities on Energy Group. Texas regulators would need to approve a bid by Texas Utilities. (Reuters, Bloomberg)

French Deficit Is a Bit Over Limit for Euro

Compiled by Our Staff From Dispatches

PARIS — France's public deficit in 1997 came in between 3.0 and 3.1 percent of gross domestic product, a government spokeswoman said Wednesday.

While the budget deficit is slightly above the criteria initially set for joining the common European currency, the euro, European leaders have agreed to allow countries that are close to meeting the deficit requirement to join.

Under the Maastricht Treaty on European Union, countries were supposed to have a budget deficit of no more than 3 percent of gross domestic product by the end of 1997 to be a member of the monetary union

when the euro is introduced in 1999. France already had acknowledged it would not fulfill that requirement on time. Instead, it is targeting a deficit of 3 percent for 1998. Germany also is expected to have trouble meeting that deficit limit.

The government spokeswoman, Catherine Trautmann, recounting a presentation by Finance Minister Dominique Strauss-Kahn at the weekly cabinet meeting, added that the budget deficit for 1997 was just below target at 2.67 billion francs (\$44.6 billion).

Sbc, said the deficit figures showed that spending was under control. In 1996, France posted a public

deficit of 4.2 percent of gross domestic product.

Meanwhile, the European monetary affairs commissioner, Yves Thibault de Silguy, said Wednesday that monetary union was firmly on track and warned that delay would cause economic and political upheaval. He dismissed arguments put forward by a group of German economists who this week mounted a legal challenge to the single currency. They contend that the economies of EU countries have not been prepared for monetary union.

But Mr. de Silguy asserted that the economists had ignored recent improvements in economic convergence. (AP, Reuters, AFP)

WORLD STOCK MARKETS

Wednesday, Feb. 11

Prices in local currencies.

Tel Aviv

High Low Close Prev.

Amsterdam

High Low Close Prev.

ASEAN

High Low Close Prev.

Bombay

High Low Close Prev.

Brussels

High Low Close Prev.

Copenhagen

High Low Close Prev.

Frankfurt

High Low Close Prev.

Hong Kong

High Low Close Prev.

Jakarta

High Low Close Prev.

London

High Low Close Prev.

Madrid

High Low Close Prev.

Manila

High Low Close Prev.

Mexico

High Low Close Prev.

Montreal

High Low Close Prev.

Oslo

High Low Close Prev.

Paris

High Low Close Prev.

Seoul

High Low Close Prev.

Singapore

High Low Close Prev.

Taipei

High Low Close Prev.

Tel Aviv

High Low Close Prev.

Tokyo

High Low Close Prev.

THE TRIB INDEX

Jan. 1, 1992 = 100

Level

Change

% change

year to date

% change

World index

183.44

+0.27

+0.15

+6.58

Regional indices

Asia-Pacific

105.12

-0.08

-0.08

+9.42

Europe

208.11

+0.86

+0.41

+7.81

North America

226.30

-0.45

-0.20

+6.16

S. America

145.71

+1.41

+0.98

-4.56

Capital goods

225.47

-0.52

-0.23

+8.15

Consumer goods

226.32

+0.39

+0.17

+7.91

Energy

190.62

+0.63

+0.33

-2.23

Finance

136.36

+0.68

+0.50

+10.90

Miscellaneous

152.83

-0.22

-0.14

+1.97

Raw materials

174.90

-0.55

-0.31

+4.58

Services

183.65

-0.21

-0.11

+5.36

Utilities

169.60

+0.33

+0.19

+1.64

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183.44

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S. America

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226.32

+0.39

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Energy

190.62

+0.63

+0.33

-2.23

Finance

136.36

+0.68

+0.50

+10.90

Miscellaneous

152.83

-0.22

-0.14

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Raw materials

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-0.55

-0.31

+4.58

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183.65

-0.21

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169.60

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+0.19

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105.12

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Europe

208.11

+0.86

Wednesday's 4 P.M. Close
The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.
The Associated Press.

Continued on Page 16

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As It Flies, but Can It Soar

ASIA/PACIFIC

Tide of Bad Domestic Debt Threatens South Korea

By Stephanie Strom
New York Times Service

SEOUL — Nasan Group was a successful apparel manufacturer with a stable of popular local brands until it began an ambitious expansion in 1988, backed by banks that are now suffering the consequences.

Flush with easy credit, it branched out into golf courses, resorts and hotels, then added a health club subsidiary and acquired a construction company.

"Our chairman felt that housing was another medium of fashion," said Yeom Moon Nam, assistant director of planning. "In the same way, that clothing evolved from simply something to keep you warm into a fashion statement, houses are not just for refuge any more."

The group later tackled on a basketball team, department stores and supermarkets and a broadcasting company, assembling a collection of 15 affiliates that by the end of last year made it South Korea's 50th-largest conglomerate.

Last month, Nasan collapsed under the weight of loans that it could not repay. Its debt outweighed its equity by 10-to-1 — a ratio more than five times the amount that would be considered marginally prudent in the Western world.

Analysts worry that hundreds of

stories like Nasan's may threaten the fragile South Korean banking system. While the world financial community has been transfixed by the recent renegotiation of \$23.4 billion in short-term debt owed by South Korean banks to foreign banks, a far larger and messier problem is brewing within the country.

Short-term domestic debt, the money owed to South Korean banks by local companies, is more than double that owed to foreign creditors. With interest rates soaring, liquidity rapidly evaporating and consumption all but coming to a halt, dozens of companies like Nasan are failing every day with potentially dire consequences both for local banks and for the global financial structure.

Each corporate collapse adds stress to a battered banking system. "It's just one more straw on the back of South Korea's banks," said Stephen Marvin, head of research at Ssangyong Investment & Securities Co. "The next Nasan could be the straw that breaks them."

Mr. Marvin is one of a growing chorus warning that South Korea could face a financial meltdown, not because of the foreign debt crisis but because of its mountain of domestic debt.

Korea First Bank and Seoul Bank, two large commercial banks that the

government bailed out in January, failed because each had more than \$2 billion in soured domestic loans.

South Korean banks owe their foreign counterparts about \$153 billion, about \$23.4 billion of which was short-term debt until it was restructured last month. But that total pales alongside domestic debt, the money that South Korean companies owe South Korean financial institutions, which at current ex-

The short-term debt owed to banks by local companies is more than double that owed to foreign creditors.

change rates is somewhat more than \$300 billion, according to analysts.

Between 50 percent and 75 percent of domestic debt is short-term, much of it in the form of *own*, or promissory, notes that come due in three to six months.

The system works like this: Nasan sells some of the clothing it makes to a Seoul department store. Rather than paying in cash, the store might issue Nasan a promissory note for the amount it owes that comes due in three months.

But Nasan needs cash. It takes the note to its bankers, who swap the note for cash at a discount that depends on Nasan's creditworthiness and that of the retailer that issued it. Nasan, however, guarantees payment of the note. Three months later, the department store has gone bankrupt and cannot pay the note. Suddenly, Nasan is on the hook for the face value of the note.

In fact, it was not technically Nasan's own \$500 million debt burden that crushed it but two notes totaling \$3.5 million. It was such notes that brought Hana and Kia, leviathans in comparison with Nasan, and scores of other South Korean companies to their knees, and it was these notes that will undoubtedly sink hundreds more South Korean businesses this year.

"We're not talking about a long time here, if you think about the fact that most of the promissory notes issued in mid-November when the economic crisis began are coming due in mid-February or March," said Jeff Usher, editor of Grant's Asia Observer.

Whether the South Korean financial system can absorb a stream of bankruptcies is far from certain. In the first week of January, more than 100 companies went bankrupt, and the pace has not abated, which means banks' capital bases have already suffered severe erosion.

"The question is whether the pace of bankruptcies will reach critical mass and set off a detonation in the financial system," said Karl Moskowitz, representative director of KSA Ltd., a consulting firm whose clients are mainly medium-sized Korean corporations. "The domestic debt problem could lead to the same financial paralysis we had last December, but this one will be much more difficult to solve."

Analysts say at least 20 percent of the domestic loan portfolio, or between \$60 billion and \$65 billion, is probably already in default; some estimates range as high as 30 percent or 40 percent.

But government officials say such estimates are overblown.

At the end of November, the Bank of Korea put the value of nonperforming loans at about \$20.6 billion at current exchange rates, and it is estimating an increase to \$28 billion this year.

Richard Sammelson, head of research at SBC Warburg Dillon Read in Seoul, predicts that at least three and perhaps as many as eight of South Korea's 30 largest *chaebol*, or conglomerates, will close this year. "I don't believe even the most pessimistic government estimates are factoring in the possibility of eight more going bankrupt this year," he said.

Investor's Asia

Hong Kong Hang Seng	Singapore Straits Times	Tokyo Nikkei 225
17000	2000	20000
15000	1750	18500
13000	1500	17000
11000	1250	15500
9000	1000	14000
7000	750	12500
1997	1997	1997
Exchange Index	Wednesday	Close
Hong Kong	10,788.41	10,859.97
Singapore	1,621.25	1,602.57
Sydney	2,574.00	2,562.00
Tokyo	Nikkei 225	17,205.00
Kuala Lumpur Composite	738.57	742.57
Bangkok SET	524.50	524.50
Seoul Composite Index	521.14	521.17
Taipei Stock Market Index	5,713.42	5,657.95
Manila PSE	2,218.32	2,078.97
Jakarta Composite Index	447.61	447.61
Wellington NZSE 40	2,283.94	2,283.94
Bombay Sensitive Index	3,292.91	3,277.20

Very briefly:

- United Merchant Group Bhd. of Malaysia is considering selling its stake in BHL Bank Bhd. to Hong Leong Bank Bhd. Hong Leong, owned by the financier Quek Leng Chan, is seeking to gain control of BHL Bank. But United's share price soared 17 percent to 2.11 ringgit (60 cents) amid speculation that Hong Leong might want to merge Hong Leong Finance with United's wholly owned UMG Finance Bhd.
- Market regulators in the Asia-Pacific region said they needed to install new mechanisms to prevent financial market turbulence, and some favored tougher regulation of the foreign-exchange markets.
- PT Indosat, the dominant international phone company in Indonesia, said 1997 profit rose a better-than-expected 22 percent to 636.4 billion rupiah (\$67 million) as sales growth outpaced costs and the fall of the rupiah lifted earnings.
- Hutchison Whampoa Ltd.'s wholly owned Hutchison Telecommunications (Hong Kong) Ltd. subsidiary said it planned to begin multimedia service in Hong Kong this year.
- America Online Inc. and China Internet Corp. of Hong Kong agreed to introduce AOL service in Hong Kong in Chinese and English by next year.
- Singapore Technologies Engineering Ltd. said its aerospace arm, ST Aerospace Supplies Pte., sold its 20 percent stake in WK Engineering International Inc. to the firm.
- China intends to trim spending on the construction and upgrading of airports by 1.6 percent this year, to 17.9 billion yuan (\$2.2 billion), because growth of air travel in China is slowing, the official China Daily said. AFP, Reuters, Bloomberg

Court Orders Seoul Bank To Halt Payment to Morgan

Compiled by Our Staff From Dispatches

SEOUL — A district court ordered Boram Bank on Wednesday to temporarily stop making payments to J. P. Morgan & Co. pending a final court ruling, after a petition by SK Securities, a court official said.

SK Securities filed a petition with the court Monday to prevent the local bank from paying what local media estimated was \$189 million owed to the U.S. investment bank.

J.P. Morgan had a swap contract with Boram Bank in February 1997. The bank had a similar separate contract with a group of three South Korean companies, including SK Securities, which then set up an offshore fund to invest in derivative securities based on

Southeast Asian currencies.

It is not clear how much Boram owed to J. P. Morgan or why the local brokerage house filed the petition. But a spokesman for SK Securities said Morgan had "neglected its responsibility to explain risk in the investment."

A J.P. Morgan executive who asked not to be identified said: "This is unusual that a company which is not a party to the contract can ask the court to interfere. Morgan and Boram intend to complete the contract successfully."

The Morgan executive said the ruling would be watched by investors as a test case of how South Korea's courts and government treated obligations between local companies and their creditors. (Reuters, Bloomberg)



MANILA'S LITTLE HELPERS — Schoolchildren about to exchange U.S. dollars for pesos at the central bank Wednesday in a gesture to aid the economy.

WON: Dow Corning Cancels Plan for Big Plant in South Korea

Continued from Page 11

The problems encountered by Dow Corning in negotiating tax and tariff concessions have a familiar ring to some here.

"The bureaucrats should change the way they handle foreign investors," said Yoo Jung Kwon, governor of North Cholla Province, where Dow Corning had considered investing more than \$2 billion. "I am very disappointed."

The Finance Ministry apparently opposed significant tax concessions of the sort usually granted big investors in foreign countries and was reluctant to approve reductions in the cost of electrical power, as well as huge cuts in tariffs on materials Dow Corning would have had to import for the plant, which would have made silicon.

"There was not a good deal of cooperation and coordination," said Mr. Yoo, who also serves as an adviser to the incoming president.

Desperation for capital may

eventually bring down the exorbitant prices often suggested by some South Korean executives with companies or portions of companies for sale.

"We shifted our strategy from taking over a foreign automaker to joining hands with a foreign company," Lim Kyung Choon, chairman of Samsung Motor Co., told reporters Wednesday while showing off Samsung's new car, due to be introduced on the local market March 28.

Mr. Lim said Samsung would welcome a "strategic alliance" with Ford Motor Co., Chrysler Corp. or any of a number of other major companies — with the exception of General Motors Corp., which has said it is negotiating with Daewoo Motor Co., Korea's second-largest motor vehicle maker after Hyundai Corp.

South Korea's domestic market has fallen so sharply that both Hyundai and Daewoo are in trouble, and Kia, the No. 3 auto manufacturer, is in receivership. Within months,

some analysts say, Kia and Samsung will either have to merge or sell out to a foreign manufacturer — or both.

Hundreds of smaller operations are cutting back or shutting down and ostensibly would welcome an infusion of foreign money.

Over the last 40 years, non-Koreans have invested only \$24 billion in facilities here, a minuscule figure for an economy with a gross national product of more than \$500 billion a year. That number is not expected to zoom before the country's volatile stock market and currency have stabilized and the government

has set up an effective system for winning foreign confidence.

One difficulty cited by would-be investors is that the conglomerates, or *chaebol*, while talking about getting rid of money-losing entities, do not seem in a hurry to move.

An American who specializes in investment opportunities said that a major *chaebol* was asking \$100 million for the purchase of one of its smaller companies.

"We looked at their books and discovered the company was worth no more than \$23 million," he said.

IMF Admits Its Thai Plan Is Too Tough

By Joseph Kahn
New York Times Service

BANGKOK — The International Monetary Fund has conceded that conditions it imposed on Thailand as part of a multibillion-dollar bailout package have proved too austere, clearing a path for the Thai government to increase spending substantially.

Acknowledging that economic growth and tax revenue have fallen far below levels predicted several months ago, the IMF has agreed to allow Thailand to run a smaller budget surplus than originally mandated, and perhaps even a budget deficit, said Hubert Neiss, director of the fund's Asia Pacific department.

"There is a need for flexibility on the spending target," Mr. Neiss said Tuesday. "Especially to the extent that there is a need for spending on social programs, this program is not hard and fast."

Mr. Neiss, who is visiting Bangkok this week for a formal assessment of the country's progress under IMF care, said details of increased spending would await the completion of the government budget, expected this month.

The revised budget target, while not unexpected, appears to vindicate some critics of IMF bailout programs for troubled Asian countries. Several critics have argued that when the Fund prescribed austerity for Thailand, South Korea and Indonesia last year, it tried to

cure the wrong illness.

Those countries, the argument goes, do not have spendthrift governments but have huge private-sector debt problems, and sharp austerity programs add to economic pain without solving their debt problems.

Mr. Neiss acknowledged that the Fund had underestimated the ferocity of the Asian economic problem and its impact on Thailand. But he said austerity was nonetheless needed because Thailand showed classic symptoms of government mismanagement when it first applied for IMF help in August.

"Thailand is on the path to recovery, although not perhaps as fast as we had hoped," Mr. Neiss said.

TWA: It Flies, but Can It Soar?

Continued from Page 11

One key to more timely service and cutting costs was replacing wide-body Boeing 747s and Lockheed L-1011s with 757s and MD-80s, which have less than half the capacity. TWA is also phasing out its aging 727s.

With fewer seats to sell, TWA has experienced a 10 percent drop in operating revenue. But operating profit in the third quarter jumped to \$63.8 million from \$26 million a year earlier, and the company is projecting a sharp narrowing of its loss during this year's slow winter period, to \$50 million from \$150 million last year. This is because the new planes more efficient, requiring smaller crews and less fuel and maintenance.

TWA is also rebounding on the marketing front. It recently became the first airline to deploy a computer program tracking how much customers spend with the company as well as how many miles they fly. Those data have given it a way to track — and reward — full-fare business customers who travel frequently, though barely on long flights.

Analysts give Mr. Gitter's team high marks for these and other improvements. So why is there so much skepticism that they can build on such successes to the point that TWA can sail comfortably above the turbulence when the next downturn hits?

One problem is that not many people outside the company buy TWA's assumption that there is a host of un-

exploited benefits from its particular route structure. TWA already accounts for more than 60 percent of the traffic originating at St. Louis's Lambert Field, and Lambert has its limits. It is already the fifth-busiest U.S. airport despite being reduced to one runway when weather is bad. A planned additional runway will not be ready before 2003 at the earliest.

TWA's second hub, at Kennedy, is no help. After Carl Icahn, the Wall Street financier who took control of the airline in 1985, sold the valuable London routes to American Airlines in 1991, Kennedy and the routes feeding international traffic into it became money-losers.

Mr. Icahn was forced out after TWA went bankrupt in 1992, but efforts to return TWA's Kennedy operations to profitability have not worked.

TWA can't claim it flies to more American cities from Kennedy than any does any other airline, but most business travelers heading to or from New York prefer La Guardia or Newark airports. That is why Continental's heavy investment in expanding its Newark hub has contributed so much to that airline's rebirth.

Ultimately, analysts say, TWA's best hope is to attract bigger and healthier airlines as marketing partners so that it can link its routes, schedules, frequent-flyer programs, clubs and other attractions to theirs.

TWA, said Samuel Buttrick, who follows the industry for PaineWebber, "has to become part of a true network."

This announcement appears as a matter of record only.

January 23, 1998

NationsBank Brasil Holdings Ltda.

a wholly-owned subsidiary of NationsBank Corporation

has completed its acquisition of 51% of the shares of

BANCO LIBERAL

Rio de Janeiro, Brasil

NationsBank

This announcement appears as a matter of record only.

January 23, 1998

N.B. (Bahamas) Limited

a wholly-owned subsidiary of NationsBank Corporation

has completed its acquisition of 51% of the shares of

LIBERAL BANKING

Nassau, Bahamas

NationsBank

Post-acquisition, Liberal has consolidated net worth of US\$130 million and funds under management of over US\$2.5 billion.

NationsBank

The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

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Case	Law	Page	Section	Text
1	1	1	1	1
2	2	2	2	2
3	3	3	3	3
4	4	4	4	4
5	5	5	5	5
6	6	6	6	6
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84	84	84	84	84
85	85	85	85	85
86	86	86	86	86
87	87	87	87	87

[illegible]

項目	単位	数量	金額	備考
1. 材料費	円	100.00	100.00	
2. 労務費	円	200.00	200.00	
3. 経費	円	50.00	50.00	
4. 利益	円	50.00	50.00	
合計	円	400.00	400.00	

[illegible]

Wednesday's 4 P.M. Close
(Continued)

[illegible][illegible][illegible][illegible]

537	10	Tomco	1.80	3.3	111	60	559	549	549
538	204	Tonco	1.80	3.3	111	60	559	549	549
539	210	Tonco	1.80	3.3	111	60	559	549	549
540	216	Tonco	1.80	3.3	111	60	559	549	549
541	222	Tonco	1.80	3.3	111	60	559	549	549
542	228	Tonco	1.80	3.3	111	60	559	549	549
543	234	Tonco	1.80	3.3	111	60	559	549	549
544	240	Tonco	1.80	3.3	111	60	559	549	549
545	246	Tonco	1.80	3.3	111	60	559	549	549
546	252	Tonco	1.80	3.3	111	60	559	549	549
547	258	Tonco	1.80	3.3	111	60	559	549	549
548	264	Tonco	1.80	3.3	111	60	559	549	549
549	270	Tonco	1.80	3.3	111	60	559	549	549
550	276	Tonco	1.80	3.3	111	60	559	549	549
551	282	Tonco	1.80	3.3	111	60	559	549	549
552	288	Tonco	1.80	3.3	111	60	559	549	549
553	294	Tonco	1.80	3.3	111	60	559	549	549
554	300	Tonco	1.80	3.3	111	60	559	549	549
555	306	Tonco	1.80	3.3	111	60	559	549	549
556	312	Tonco	1.80	3.3	111	60	559	549	549
557	318	Tonco	1.80	3.3	111	60	559	549	549
558	324	Tonco	1.80	3.3	111	60	559	549	549
559	330	Tonco	1.80	3.3	111	60	559	549	549
560	336	Tonco	1.80	3.3	111	60	559	549	549
561	342	Tonco	1.80	3.3	111	60	559	549	549
562	348	Tonco	1.80	3.3	111	60	559	549	549
563	354	Tonco	1.80	3.3	111	60	559	549	549
564	360	Tonco	1.80	3.3	111	60	559	549	549
565	366	Tonco	1.80	3.3	111	60	559	549	549
566	372	Tonco	1.80	3.3	111	60	559	549	549
567	378	Tonco	1.80	3.3	111	60	559	549	549
568	384	Tonco	1.80	3.3	111	60	559	549	549
569	390	Tonco	1.80	3.3	111	60	559	549	549
570	396	Tonco	1.80	3.3	111	60	559	549	549
571	402	Tonco	1.80	3.3	111	60	559	549	549
572	408	Tonco	1.80	3.3	111	60	559	549	549
573	414	Tonco	1.80	3.3	111	60	559	549	549
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583	474	Tonco	1.80	3.3	111	60	559	549	549
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607	618	Tonco	1.80	3.3	111	60	559	549	549
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615	666	Tonco	1.80	3.3	111	60	559	549	549
616	672	Tonco	1.80	3.3	111	60	559	549	549
617	678	Tonco	1.80	3.3	111	60	559	549	549
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619	690	Tonco	1.80	3.3	111	60	559	549	549
620	696	Tonco	1.80	3.3	111	60	559	549	549
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625	726	Tonco	1.80	3.3	111	60	559	549	549
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628	744	Tonco	1.80	3.3	111	60	559	549	549
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632	768	Tonco	1.80	3.3	111	60	559	549	549
633	774	Tonco	1.80	3.3	111	60	559	549	549
634	780	Tonco	1.80	3.3	111	60	559	549	549
635	786	Tonco	1.80	3.3	111	60	559	549	549
636	792	Tonco	1.80	3.3	111	60	559	549	549
637	798	Tonco	1.80	3.3	111	60	559	549	549
638	804	Tonco	1.80	3.3	111	60	559	549	549
639	810	Tonco	1.80	3.3	111	60	559	549	549
640	816	Tonco	1.80	3.3	111	60	559	549	549
641	822	Tonco	1.80	3.3	111	60	559	549	549
642	828	Tonco	1.80	3.3	111	60	559	549	549
643	834	Tonco	1.80	3.3	111	60	559	549	549
644	840	Tonco	1.80	3.3	111	60	559	549	549
645	846	Tonco	1.80	3.3	111	60	559	549	549
646	852	Tonco	1.80	3.3	111	60	559	549	549
647	858	Tonco	1.80	3.3	111	60	559	549	549
648	864	Tonco	1.80	3.3	111	60	559	549	549
649	870	Tonco	1.80	3.3	111	60	559	549	549
650	876	Tonco	1.80	3.3	111	60	559	549	549
651	882	Tonco	1.80	3.3	111	60	559	549	549
652	888	Tonco	1.80	3.3	111	60	559	549	549
653	894	Tonco	1.80	3.3	111	60	559	549	549
654	900	Tonco	1.80	3.3	111	60	559	549	549
655	906	Tonco	1.80	3.3	111	60	559	549	549
656	912	Tonco	1.80	3.3	111	60	559	549	549
657	918	Tonco	1.80	3.3	111	60	559	549	549
658	924	Tonco	1.80	3.3	111	60	559	549	549
659	930	Tonco	1.80	3.3	111	60	559	549	549
660	936	Tonco	1.80	3.3	111	60	559	549	549
661	942	Tonco	1.80	3.3	111	60	559	549	549
662	948	Tonco	1.80	3.3	111	60	559	549	549
663	954	Tonco	1.80	3.3	111	60	559	549	549
664	960	Tonco	1.80	3.3	111	60	559	549	549
665	966	Tonco	1.80	3.3	111	60	559	549	549
666	972	Tonco	1.80	3.3	111	60	559	549	549
667	978	Tonco	1.80	3.3	111	60	559	549	549
668	984	Tonco	1.80	3.3	111	60	559	549	549
669	990	Tonco	1.80	3.3	111	60	559	549	549
670	996	Tonco	1.80	3.3	111	60	559	549	549

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Algeria	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	29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WORLD ROUNDUP

Short Stay for Seeds

Yevgeni Kafelnikov and Goran Ivanisevic arrived late and left early at the \$1 million Dubai Open. Both lost Wednesday. Kafelnikov, the No. 3 seed, lost, 6-2, 6-1, to Hicham Arazi. Ivanisevic, seeded No. 8, fell to Carlos Moya, 6-3, 6-3. Marcelo Rios, the No. 2 seed, and Sergi Bruguera, seeded No. 5, had already been eliminated.

Last Sunday, Kafelnikov was a finalist in Marseille, France, while Ivanisevic won the Croatian Open before a home crowd in Split.

"There wasn't enough time to adjust," Kafelnikov said. "You need to be here two or three days before playing. You can't play well the week before and here."

(Reuters)
The ATP Tour Player Council voted to recommend experimental on-court coaching likely beginning this spring, an ATP official said in San Jose on Tuesday. The move must be approved by the Tour Board of Directors. Tennis has only allowed on-court coaching in Davis Cup and Fed Cup. (AP)



Hicham Arazi in action against Yevgeni Kafelnikov.

The Houston Oilers?

ICE HOCKEY Les Alexander, the owner of the Houston Rockets of the National Basketball Association, signed an agreement Tuesday to buy the Edmonton Oilers of the National Hockey League for \$82.5 million. The deal would fall through if a local group offers at least \$70 million within 30 days to keep the team in Edmonton. (AP)

First Arbitration Heard

BASEBALL Frank Rodriguez, a Minnesota pitcher, became the first player to go to salary arbitration this year. He asked for a four-fold raise from \$220,000 to \$880,000. The Twins offered \$425,000.

Mortuo Mitnick, Jerome Ross and Anthony Sincropi, the arbitrators, held the hearing in Phoenix on Tuesday and were expected to issue a decision Wednesday or Thursday. (AP)

Favorite Trick is Favorite

HORSE RACING Favorite Trick was named U.S. Horse of the Year Tuesday. He is only the second 2-year-old winner. The other was Secretariat in 1972. (AP)

Swann's Golden Goose

FOOTBALL Eric Swann, a defensive tackle, agreed to a five-year, \$25 million contract Wednesday with the Arizona Cardinals, making him one of the highest-paid line men in the NFL. Swann, the Cardinals' first-round draft pick in 1995, became an unrestricted free agent after last season. (AP)

U.S. Soccer Team Pulls Off a Miracle

68-Year Drought Against Brazil Ends With Single, Winning Goal

By Steven Herbert
Washington Post Service

LOS ANGELES — Preki Radosavljevic's goal midway through the second half gave the United States one of its greatest soccer victories ever Tuesday night, a 1-0 triumph over defending World Cup champion Brazil at the Los Angeles Memorial Coliseum.

Inserted into the Concacaf Gold Cup semifinal against Brazil in the 60th minute, Radosavljevic made his first touch a historic one, taking Eric Wynalda's pass, dribbling twice before launching a 22-yard left-footed shot into the net in the 65th minute.

It was the U.S. team's first victory over Brazil in nine meetings after being outscored, 23-3, in eight losses. Radosavljevic's goal was the first for the United States against Brazil in 68 years. "It feels great," Radosavljevic said. "To come off the bench and score against a team like Brazil is great."

The victory put the United States into Sunday's championship match against the winner of Thursday's Jamaica-Mexico semifinal. Brazil, an invited guest to the biennial tournament for Caribbean and North and Central American national teams, will face the Jamaica-Mexico loser in Sunday's third-place match.

"This is one of the four top results in U.S. soccer history," coach Steve Sampson said.

Brazil — fielding some, but not all, of the team it will use to defend its World Cup title this summer in France — furiously attempted to tie the match, seeking to avoid only its third loss since the 1994 title against 46 victories and 10 ties.

The U.S. goalkeeper, Kasey Keller, who had a phenomenal game, made a save on Romario, the star of the World Cup championship four years ago, in the 78th minute.

Romario's 80th minute shot rolled wide of the empty net after Keller charged out to challenge him. Romario shot wide in the 83rd minute and Keller made a save in the 86th minute on Elber de Souza's shot.

"It was a tremendous occasion for us," Keller said. "There are a lot of times when you make one or two saves to keep your team in the game, but to make three or four is rare."

Keller, who rejoined the U.S. team this week from his English Premier League club (Leicester City), kept Brazil at bay in the first half, atoning for defensive lapses with seven saves, several of them spectacular, while denying Romario.

The first came in the 11th minute, following Eddie Pope's turnover. Then in the 23rd minute, Romario took Zinho's pass and dribbled past Alexi Lalas into the penalty area, only to be denied by Keller.

Eight minutes later, Edmundo fed Romario, with Keller again making the save. Finally, in the 41st minute, Keller stopped Romario's header from four yards.

The U.S. team could do little offensively in the first half, as it was outshot, 13-3. The Americans either failed to string together enough passes for a credible attack or had their shots sail high or wide of the net. Wynalda had the Americans' only shot on goal, with Claudio Taffarel making a save in the 15th minute.

Brazil increased the fervor of its attack opening the second half, with a pair of shots in the 47th minute, including Flavio da Conceicao's from inside the penalty area, rolling wide.

D.C. United captain John Harkes had the Americans' first second-half scoring chance, but his 56th-minute shot was high and wide.

The victory increased the U.S. team's winning streak to six, the longest since the national team was founded in 1916. Brazil had drawn intense criticism back home for ties with Jamaica and Guatemala in its first two Gold Cup matches, but rebounded with a 4-0 victory over El Salvador Sunday, its final match in group play.

Despite its dominance in the all-time series, Brazil's past three victories over the United States were by 1-0 scores, including two years ago in this tournament and four years ago in the World Cup round of 16.

A Ronaldo-Vieri Swap?

Inter Milan has offered to swap Brazilian striker Ronaldo for Atletico Madrid's Christian Vieri, the Spanish sports daily As reported Wednesday, according to Reuters. Vieri has scored 13 league goals in as many matches since joining Atletico from Juventus.

PGA Tour Chief Adds Up Score And Argues Martin Has Edge

By Thomas Heath
Washington Post Service

EUGENE, Ore. — Allowing Casey Martin, a disabled golfer, to ride in a cart during tournament play instead of walking might give him only one stroke during an entire year on the PGA Tour, a top golf official testified in court Tuesday.

But even one stroke a year is too much of an edge, according to the PGA Tour commissioner, Tim Finchem, who was the last witness called by the PGA Tour. Finchem said that he sympathized with Martin's plight, but that giving him a cart would diminish the Tour's level of competition.

"I understand his argument," Finchem said. "I don't know how you can do it. The only thing you can do is put players on the course with the same set of rules, with the same set of challenges and see who wins."

Finchem and Judy Bell, past president of the United States Golf Association, concluded the PGA Tour's defense in the five-day, nonjury trial.

Both sides will make their closing arguments Wednesday, and Judge Thomas Coffin said he would issue his ruling that afternoon.

Martin, 25, was born with Klippel-Trenaunay-Weber syndrome, a circulatory disorder that prevents blood from circulating normally in his right leg.

Over the years his condition has worsened to such a degree that it prevents him from playing golf without the aid of a cart.

He is suing the PGA Tour under a provision of the 1990 Americans with Disabilities Act to force the organization to lift its "no cart" rule in tournament play. It marks the first time that an athlete has used the act to gain access to professional sports.



Brazil's Dorival Guidoni Jr., left, trying to get the ball away from Joe Max-Moore of the United States.

Guinea Fights Back To Hold Cameroon

Reuters

OUAGADOUGOU, Burkina Faso — Souleymane Oulare scored twice in the second half to earn Guinea a 2-2 draw with Cameroon on Wednesday in the African Nations' Cup. Cameroon's Indomitable Lions, who have qualified for

tournament, rarely troubled Egypt's strong defense.

EUROPEAN CHAMPIONSHIPS Five countries, including Austria and Hungary in a joint bid, are seeking to be host of the European championship finals in 2004.

Portugal, Spain and Switzerland told UEFA, European soccer's governing body, by the deadline Tuesday that they were interested in staging the tournament. UEFA said Wednesday

that Austria and Hungary had stressed they would submit a joint bid, while Portugal had indicated it was only prepared to be host if it could find another member country as a partner. UEFA will announce its choice in July 1999.

The next European finals are to be organized jointly by Belgium and the Netherlands in 2000.

BRAZIL Pele won his battle to reform Brazil's chaotic

soccer industry on Wednesday when the country's Senate approved a bill that requires clubs to become businesses within two years. "We often forget but most Brazilian clubs are bankrupt right now," Pele said shortly after the bill was approved. He said the bill would create jobs and open up the clubs.

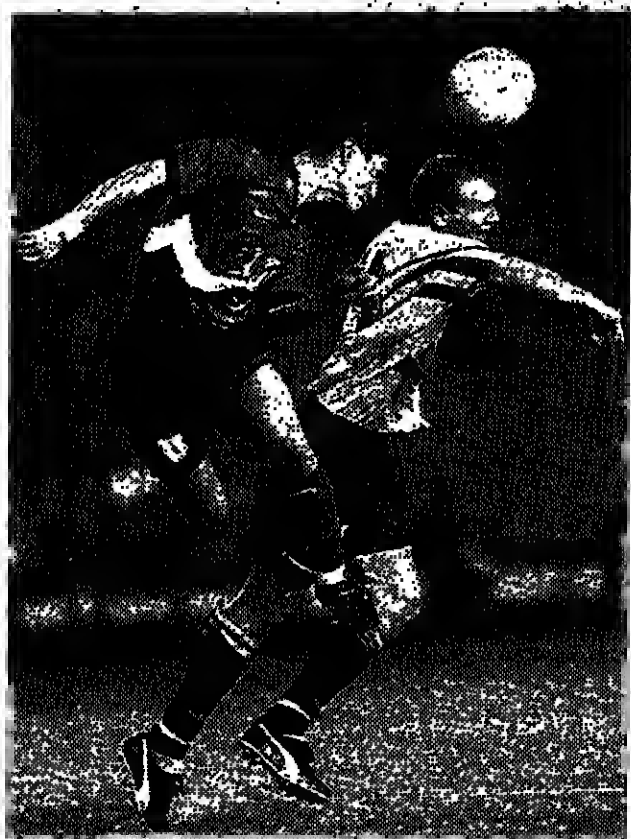
The bill, which has to be signed by President Fernando Henrique Cardoso to become law, will also allow clubs to set up their own leagues, weakening the power of the Brazilian Football Confederation, or CBF. "That proposal angered Joao Havelange, the president of FIFA, the governing body of world soccer. Havelange's son-in-law runs the CBF. When the bill was sent to Congress last year, Havelange, who is Brazilian, said he would kick Brazil out of the 1998 World Cup if it were approved."

Australia Wins

Ernie Tapai scored the only goal Wednesday as Australia beat South Korea, a World Cup finalist, in an international friendly, Reuters reported from Sydney.

Tapai swept home a cross from striker Kris Trajanovski in the 39th minute to give Terry Venables a victory in what could be his penultimate match as Australia's coach. Venables, whose team lost 1-0, to Chile in Melbourne on Saturday, has yet to announce whether he will stay on after his contract expires in June.

Australia faces Japan in Adelaide on Sunday in its last scheduled friendly before the end of the coach's 20-month contract.



Choi Yong Soo of South Korea rising to head the ball past Australia's Mark Babic in Sydney on Wednesday.

SCOREBOARD

BASEBALL

CARIBBEAN SERIES

IN PUERTO LA CRUZ, VENEZUELA

Dominican Rep. 6, Venezuela 0

Guatemala 2, Venezuela 0

Venezuela 2, Dominican Rep. 0

Guatemala 2, Dominican Rep. 0

Dominican Rep. 2, Venezuela 0

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TRANSITIONS

BASEBALL

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Say It's So: A Pardon for 'Shoeless Joe'

Washington Post Service

WASHINGTON — There is more than meets the casual eye in the published report that the exiled duo of Ted Williams and Bob Feller are in revolt against the enduring banishment of "Shoeless Joe" Jackson from major league baseball.

They are calling loudly for an action by the lords of baseball that will restore Jackson's name to the rolls of the game and pave the way for his election to its shrine, Cooperstown's Hall of Fame.

Williams and Feller are playing hardball, not content merely to voice their opinions on the subject. They have brought into the fray four lawyers who have worked up a 50-page presentation to the acting commissioner's office, hammering home their version of an outrageous injustice to a super ballplayer whose name for nearly 80 years has suffered the shame of the Black Sox scandal of 1919.

Obviously, Williams and Feller, like so many other American fans, are buying into the belief that Jackson's guilt was somewhat forgivable — that he was the uneducated, onetime South Carolina mill hand, a bumpkin, a naïf unpracticed in the sharp ways of teammates who solicited the bribes from gamblers, and unaware of the enormity of their deed, and his.

His moniker, "Shoeless Joe" was a natural. He had been a barefoot kid who liked to play the outfield barefooted in factory games.

Jackson died 47 years ago. But important baseball people such as Wil-

liams and Feller are now saying "Enough is enough," and their names have clout. Their admiration for Jackson as ballplayer is understandable. Four years out of the South Carolina mills, he became the only major league rookie ever to hit .400 (.408), barely losing the batting title to Ty Cobb.

How good a ballplayer was Joe Jackson? His career average of .356 is the third finest in history. Babe Ruth, who played in the same era, said, "I patterned my swing after Shoeless Joe's." Walter Johnson, who pitched against all the great hitters of two decades, said of Jackson, "Toughest hitter I ever faced."

All those batting averages Jackson amassed — .408, .395, .373, .382 were the best four in full seasons — and .356 lifetime, would naturally gain the interest and admiration of Williams, who in his playing days was obsessed with numbers, particularly his own.

Jackson was one of the eight White Sox who were indicted during the 1920 season for allegedly conspiring to take gamblers' money and "throw" the 1919 World Series against the Cincinnati Reds. But the indicted players were found not guilty during the trial when records of three crucial confessions — including Jackson's — disappeared.

The records and confessions had vanished and the Black Sox eight had gotten away with their crime.

But they didn't get away with their careers. The game's owners, in a rapid effort to restore public confidence in

baseball, promptly hired a stern federal judge, Kenesaw Mountain Landis, as their high commissioner, raising his pay from the judicial scale of \$12,000 to baseball's \$50,000. Landis promptly ruled and all eight Black Sox were banished from baseball for life, and that has been baseball history for the last 79 years.

The anti-Jackson group is shuddering that his restoration to the game would pave the way for the only living suspended-for-life player, Pete Rose, to apply for and win Hall of Fame consideration.

Rose was banished for betting on games while managing the Reds. Unlike Jackson, Rose didn't confess, never admitted anything. But in his curious agreement with then-commissioner Bart Giamatti, Rose accepted life suspension from the game if whatever sin he committed was not put on the public record.

Of that pact, Giamatti's successor, Fay Vincent said, "We didn't see the need to spell out anything as long as Rose accepted the equivalent of the electric chair."

That Williams and Feller have clout that would be helpful to Jackson is agreed. That Shoeless Joe was less a conspirator than he was preyed-upon is very possible. That a great ballplayer who lapsed, who shook public confidence in the game, should be given back his good name, I don't know. Maybe it is time for mercy.

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WINTER OLYMPICS

THURSDAY, FEBRUARY 12, 1998

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OLYMPIC ROUNDUP

More Snow Forecast

WEATHER Olympic organizers moved the start of the men's downhill forward an hour for fear that an approaching storm might deposit more snow on the slopes.

They switched the scheduled start from 10 A.M. Thursday to 9 A.M. The men's combined downhill was moved from 2 P.M. to noon.

The Japan Meteorological Agency said snow and high winds were expected Thursday afternoon. The downhill was originally scheduled for Sunday, the first full day of the Games, but storms have forced the downhill to be rescheduled four times. (AP)

U.S. and Canada Lead

WOMEN'S ICE HOCKEY The United States beat Finland, 4-2, Wednesday in a pivotal game for both teams. Sarah Tiedt, the U.S. goalie, made 20 saves on 22 shots, and Vicki Movsessian and Tara Mounsey scored on power plays.

Danielle Goyette scored twice as Canada beat Sweden, 5-3. The United States and Canada are tied at the top of the standings. The top two teams at the end of the preliminary rounds will go directly to the gold-medal game. (AP)

Out of the Games

SPEED SKATING Erben Wennemars of the Netherlands, who separated his left shoulder in the 500-meter race Tuesday, will not be able to compete in two other Olympic events. (AP)

Bobsledder Ejected

DRUGS Michael Dionne, a bobsledder, was removed from the U.S. Olympic team after his drug suspension was upheld, but he was urged to stay in Nagano because he was guilty only of "carelessness." (AP)

A Couple of Cliff-Hangers

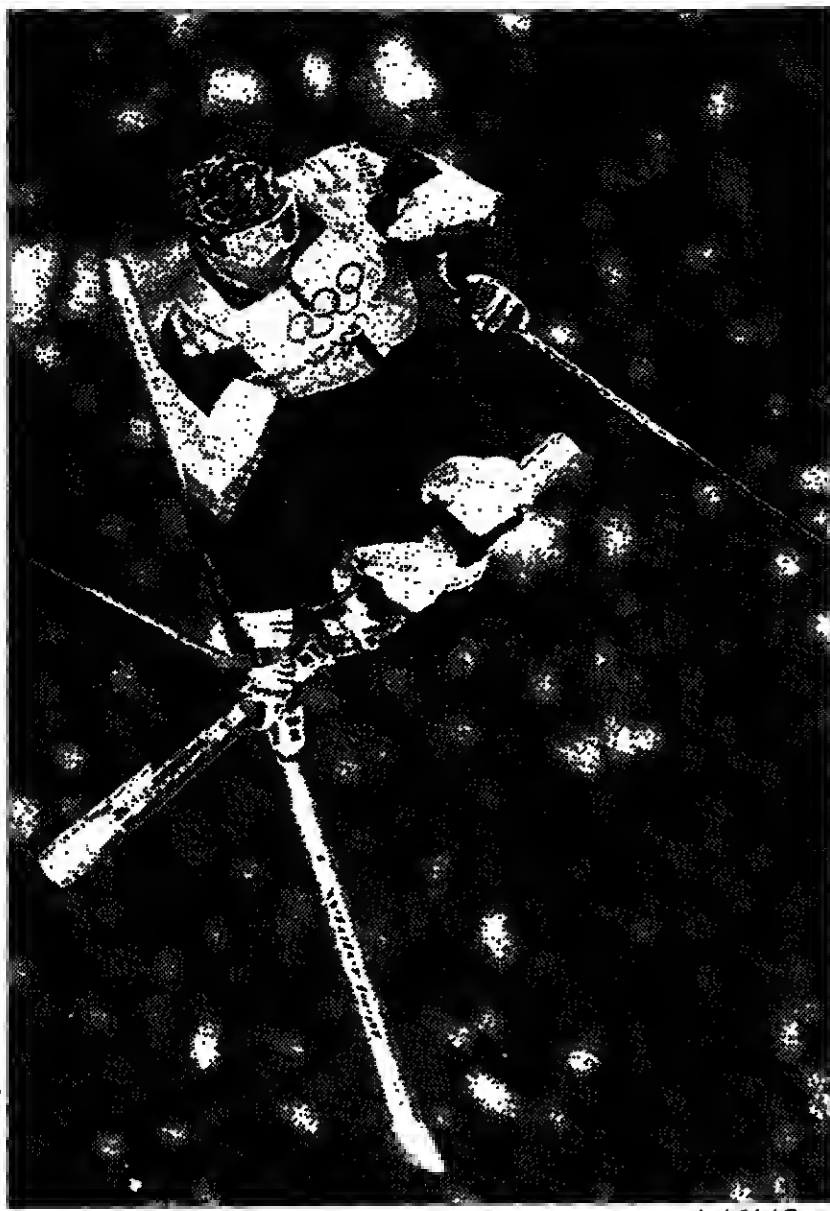
HISTORY The women's luge and super-G ski races were decided Wednesday by the smallest margins in the history of either Olympic sport.

Two-thousandths of a second was the margin of Silke Kraushaar's victory over Barbara Niedernhuber after four runs in women's luge.

One-hundredth of a second was the margin of Picabo Street's victory over Michaela Dorfmeister in the women's super-G. (AP)



Michelle Kwan, a U.S. figure skater, practicing Wednesday for Thursday's short program.



Jonny Moseley performing the 360-degree turn that helped him win gold.

Moseley's Acrobatics Give U.S. Its First Gold Medal

By Amy Shipley
Washington Post Service

NAGANO, Japan — Under bright sunshine Wednesday morning, the freestyle skier Jonny Moseley finally put the United States on the medal scoreboard.

Skiing last of 16 skiers in the moguls event, Moseley won the gold medal.

FREESTYLE SKIING

by wowing the judges and the crowd with a spectacular 360-degree spin on the last jump of his run.

When he crossed the finish line, Moseley, 22, raised his arms and cheered. When his score was announced, he fell to his knees and thrust his fists into the air again.

"I'm just so happy," Moseley said. "This is the greatest feeling I've ever had in my life. I was super nervous. I had pressure from myself, but because I have worked so hard, I knew I could win. I just breathed in the energy of the crowd. The crowd was thumping; everyone was so loud."

Janne Lahtela of Finland won the silver with a 26.00 score, 0.93 behind Moseley. Another Finn, Sami Mustonen, won the bronze, scoring 25.76. Moseley has been the overall World Cup champion in freestyle skiing twice, which includes aerials and moguls, but he decided this year to concentrate solely on moguls. He wanted a chance at his dream: an Olympic gold.

"It's the best feeling in the world," he said. "I just had this rush over my body when I got down. It was like everything I had worked for so long had come together."

He said he knew he had won after he did the 360-degree turn.

Moseley, a business and finance major at the University of California, has been competing in freestyle skiing for 14 years.

Though he has won 13 World Cup gold medals and one bronze medal in the 1995 world championships, he had not won an Olympic medal before Wednesday.

"The Olympics motivate me more than anything I've ever done," Moseley said last year. "I want to win over there and I want to do it with a great run, one that's really exciting."

An Olympic medal sport since the 1992 Winter Games in Albertville, France, the moguls event requires skiing a line down a course and performing aerial maneuvers off the course's two jumps.

Moseley's 360-degree turn was the most difficult maneuver executed Wednesday.

"I'm going to party like crazy," he said. "I'm going to party like you've never seen me party."

Japanese Takes Women's Gold

Tae Satoya of Japan was the surprise winner in the women's freestyle moguls event, The Associated Press reported.

Satoya, 21, had never won a major championship. She was 11th after the qualifying, but a scintillating run in the final earned her 25.06 points.

Satoya, whose father died last year, carried his picture in her pocket during the race.

"I've had a tough time for the last year," she said. "My father was watching me from somewhere today."

Tatjana Mittromayer of Germany won the silver with 24.62 points, and Karl Trnka of Norway took the bronze with 24.09.

A Winter's Tale of Hope and Fear

Coach Put Picabo Street on a Slow Track to Olympic Glory

By Harvey Araton
New York Times Service

HAKUBA, Japan — On the morning of the race that would define Picabo Street as an Olympic champion forever, her coach skied the mountain and reached a conclusion. This super-G course looked more to him like a downhill course.

"Pic," Herwig Demtschar told Street, "On this course, there is hardly any turning. It's a course is for downhill skis. Let's put them on."

"If you say so, let's go for it," Street said. She unpacked the downhill skis, looser by 10 or 12 centimeters (four to five inches), according to Demtschar.

The world's most elite super-giant slalom racers, most notably the World Cup leader, Katja Seizinger of Germany, showed up with the shorter skis. Only Street, it turned out, had speed through the course's flat, gliding sections. She won the event by one one-hundredth of a second, in a time of 1:18.02. The first 16 skiers were separated by less than a second.

Street believed in Demtschar, and it was her gold medal promise to her father 16 years ago when she was 10.

"Athletes and coaches have a lot of trust," Demtschar said.

They had better in this thrill-ride sport, under frightful conditions, at hair-raising speeds. Make the decision and live with it, a concept Demtschar understands better than most.

How this 38-year-old Austrian came to be in Street's corner Wednesday afternoon, as opposed to that of the Austrian skiers Michaela Dorfmeister and Alexandra Meissnitzer — who won the silver and bronze — is in itself a cautionary tale of skiers and coaches, of life and death.

Demtschar previously coached the Austrian women for nine years and the Austrian men for six years before that.

"One of my skiers died," he said, holding up a pair of skis in the snow near the finish line, long after the race, the area eerily deserted.

"There is an unwritten rule," Demtschar said. "If you have an athlete die, you change the coach. Because you do not want the coach in the way of the athlete."

It was the talk of the alpine venue four years ago in Lillehammer, Norway. Demtschar's skier, a two-time world champion in the downhill, had, on Jan.

29, just prior to the Games, lost control of her right ski on the lower third of a World Cup downhill in Garmisch-Partenkirchen, Germany.

Ulrike Maier suffered a broken neck. She was 26 years old and the mother of

VANTAGE POINT

a young child and the horrible fatality was watched all over Austria on live television.

Demtschar made the call from the hospital to Maier's father that day to tell him his daughter had not survived. He paid his condolences the next day at the Maier's home in Ramsau, Austria. The Maier's, he remembered, understood that their daughter had chosen a dangerous game.

They were inconsolable but understanding. Many others in Austria were not.

"You have to understand that being a ski coach in Austria is a very high-profile thing," Demtschar said. "It is like being a football coach in the States, like being the coach of the Chicago Bulls. And what was the big problem was that Ulrike was very popular and, of course, already a mother."

There were charges of manslaughter brought, he said, against two skiing officials. Demtschar believed that had those charges not been dropped, he would have been next.

Maier's boyfriend, a ski racer whom Demtschar, as Maier's coach, had dismissed from the team, publicly accused him of pressuring Maier to push herself faster down the mountain than she could go.

Perception and reality makes it a dangerous game for coaches, too. And then came the threatening calls.

"You killed her."

"Murderer."

Finally, the following Christmas eve:

"Enjoy it because it's going to be your last."

"I was having emotional problems," Demtschar said. "I realized it's a dangerous sport but it's a tough thing to call the father and say, 'Your daughter has died.'"

Demtschar was told by the directors of the Austrian national program to take a year off and return for reassignment. His wife, Michelle, talked him into a vacation in her native Australia. There, Paul Major, who runs the U.S. ski program, called. The women's job was

vacant. Demtschar started over in America, where one of his new stars was the emerging Picabo Street.

After winning the downhill silver in Lillehammer, Street was on a roll right to the top. It was something unheard of — an American winning the overall World Cup title in 1995. The following winter, she tore three ligaments in her left knee. Her surgeon, Richard Steadman called it "more serious" than the countless skiing knee injuries he had treated.

Headstrong as ever, the 26-year-old Street was determined to be primed for the Games in Nagano, but when she went out to practice the super-G one day last September, she felt a frightening ache in her knee. She sat down on the side of the course and cried.

A voice in the back of Demtschar's head was telling him to put the reins on Street, hold her out of the early World Cup season. But was this the prudent, professional strategy, or a case of a once-traumatized coach in the way of the athlete?

Demtschar didn't know, so he consulted his best friend, his wife. She told him his instincts were right.

How did she know?

"She's a woman," said Street. And?

"And women can read each other's emotions," she said.

They took the safe, slow approach.

By January, Street was back on tour, skiing her way into Olympic shape. Then came another ome of life's crossroads for Street and for Demtschar. Skiing a downhill on Jan. 31 in Are, Sweden, Street skied off the course, skidded out of control, crashed into a fence, face first, and was out cold.

On the mountain, Demtschar was frozen in his tracks. Had his worst nightmare occurred? Could he himself survive another?

Demtschar the man could not bring himself to rush over and look.

Demtschar the coach was already planning for what would come next.

"As a coach, after an injury like Pic's, you hope she does crash but gets up," he said. "This is the only way she knows she can do it again."

Street got up. She had broken her favorite skis. Her head and neck ached, and still did. But Street was finally ready for the Olympics, she said. Ready for the super-G. All she needed was a tip from her coach.

STREET: A Golden Reward for American in Super-G Slalom

Continued from Page 1

through the course," she said, "and it made me mad and I just went for it."

Asked if she was surprised to win the gold medal, she said repeatedly, "Yes, I am. I am."

"Everyone comes to the Olympics to win a medal, particularly gold. But to look up there and see my name at the top of the list," she said, pausing, "I just don't know what to say. I'm frustrated because I can't even find the words."

After having a little more time to reflect on her accomplishment, she said, "It's unbelievable."

"I don't have so much pressure on myself in the super-G," she added. "I think some of the other people expect more of themselves in the super-G than I do."

The night before, Street was concerned that she was in trouble because she had drawn the second starting spot. Given the amount of snow that had fallen in Hakuba in recent days, it was very possible that the course would be packed down and therefore would race faster for skiers who made their runs later in the competition.

"It was really burned about it, because I didn't look like a very good start number," she said. "But I'm happy about it now. It was the best start number in the world."

Street finished in one minute 18.02 seconds, edging Michaela Dorfmeister of Austria by one one-hundredth of a second. Alexandra Meissnitzer, also an Austrian, finished third to win the bronze medal in 1:18.09.

Katja Seizinger of Germany, the pre-race favorite, finished in sixth place in 1:18.44. The highly regarded German skiers finished 6th, 7th and 10th.

Seizinger said she thought the course

was very slow when she came down, but added, "I cannot blame only that for my defeat. I expected Picabo to do well on this course. She's quite crazy and can be very good, especially in one-day races."

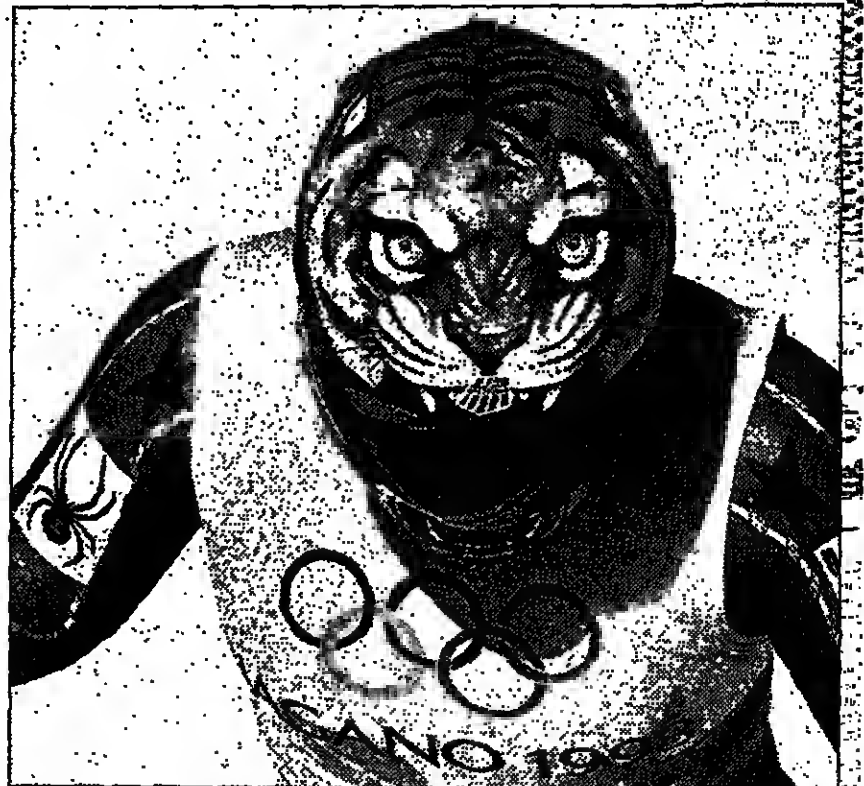
Ironically, Street believes the fall she had two weeks ago probably helped her coming into the Olympics.

"I think I needed a big crash to get my

mind off my knee," she said. "I'm not thinking about that anymore."

"It has been a long year, so many ups and so many downs. I finally was able to get into form to attack the course."

When someone wondered how she was holding back tears of joy, Street said, "I've already cried. I stopped. I've cried, I've stopped. What a day. It's a dream come true for me."



Picabo Street crossing the finish line, wearing her favorite racing helmet.

The Skier Who Lifted Postwar Japan

New York Times Service

NAGANO, Japan — He was a boy of 14 living in Shiga, a northern mountain village, when in August 1945 Japan surrendered to end World War II. And Chiharu Igaya feared that awful things would happen to his country, to his family, to him. He had seen statues in the temples and shrines of menacing devils of centuries past, and he had been led to believe that Americans looked like that.

"We were brainwashed by our government that Americans were terrible people," Igaya, now 66, recalled Wednesday. "Probably in the way Americans were made to think of the Japanese."

Igaya remembers his mother cutting her hair so, he said, she might look like a man when American soldiers arrived. "But we soon heard that the American soldiers were treating people kindly," he said.

During the war, Igaya's family had little food and scoured the forests for wild vegetables to eat. "Yet we still skied," he said. "I was skiing since I could walk."

Even now, when he is a stocky and balding insurance executive living in Tokyo, one can still sense an athletic presence about Igaya and could imagine him as a young skier. He is at these Olympic Games not only because his country is host but also because he is a member of the International Olympic Committee and a former silver medal winner in the slalom.

After World War II, Igaya became a

national star, even beating Tadashi Katagiri, some 10 years his senior, who had been considered the best skier in the country. Igaya had only a vague knowledge of the Olympics at the time, other than what little his father had told him.

In 1948, he knew two things about the Olympics, however. One was that the greatest athletes in the world compete against each other. Second was that Japan, as punishment for the war, was not allowed to participate.

Then one evening in 1950, after a hard day's training, Igaya's father, Kunio, greeted him, "Chiharu, I have good news for you." The boy asked, "What is it, father?" He was told that the IOC planned to readmit Japan and it would be eligible for Oslo in 1952.

"From that day forward," said Igaya, "I began preparing for my chance for the Olympics."

He made the team, and expected problems from other skiers. "We were not a very popular or respected country," he said. He encountered befuddlement rather than hostility. "Many people in Europe were amazed that Japan had a ski team," he said. "They thought we were a tropical country where coconut and banana trees were grown."

Before leaving for Oslo, Igaya, then 21, spoke with Katagiri, who was no longer able to compete at the highest levels. "I hope you will also ski for me," said the older man, wishing Igaya luck. He finished 11th in the slalom but

gained confidence that he could compete with world-class skiers. In the 1956 Games in Cortina d'Ampezzo, Italy, he won the silver medal.

"From the defeat in the war, we had lost our pride as a nation," said Igaya. "I hoped when I stood on the winners' podium and saw the Japanese flag flying on the pole and the medal was handed to me — which was the way they did it in those days, instead of draping it around one's neck — that in some small way this might help lift my country's spirits."

Igaya did not go directly home. By now he was a student at Dartmouth University, the American college and captain of the ski team. He had already been made to feel comfortable and accepted on campus. "The only time I didn't feel like an American there was in the morning," he said, "when I looked in the mirror and saw my skin."

At spring break following his winning the silver medal, Igaya returned to Japan. He wasn't prepared for what followed. Thousands welcomed him at the airport in Tokyo. Katagiri, his old ski rival, embraced him. "Omedeto," he said — congratulations.

That night, Igaya returned to his village. Thousands lined the road for a mile as he traveled on a bus from the train station to town hall. The people held lanterns and chanted Chiharu Igaya's name. "I was very embarrassed," he said, "and very happy."

On Icy Track, Milliseconds Count

By Bernie Wilson
The Associated Press

NAGANO, Japan — Blink and you would have missed Silke Kraushaar's winning margin Wednesday in Olympic women's luge.

Kraushaar, 27, won the closest luge race in Olympic history, edging her

German teammate Barbara Niedernhuber by 0.002 of a second to take the gold medal.

The two Olympic rookies were separated by about five centimeters (two inches) after nearly 4.8 kilometers (three miles) of sliding.

Kraushaar and Niedernhuber, who had had to wait their turn for a spot on Germany's formidable luge team, were stunned that their medals were decided by milliseconds.

"Actually, I haven't even realized that I am an Olympic champion right now," Kraushaar said. "It will take one or two days that I can think it all over and really settle down with my gold medal."

Niedernhuber, 23, said .002 of a

second "is nothing."

"Four runs and two thousandths? Unbelievable," she said.

The women's bronze medal went to an Austrian, Angelika Neuner, who finished 0.474 of a second behind Kraushaar.

Luge and short-track skating are the only Winter Olympic sports timed in thousandths of a second, and Kraushaar and Niedernhuber put the clock to work.

Niedernhuber led by just six thousandths of a second going into the final run down the 15-turn Spiral. With the starting order flip-flopped, Kraushaar took to the icy track ahead of Niedernhuber, finishing in 50.617 seconds.

The race was then Niedernhuber's to win or lose, and she could not retain her slim margin, finishing in 50.625.

Kraushaar clapped her hands in delight after Niedernhuber's run, and her teammate forced a smile. Theo the two hugged.

Kraushaar finished the four runs in three minutes, 23.779 seconds. Niedernhuber was timed in 3:23.781 and Neuner in 3:24.253.

OLYMPIC SCHEDULE

THURSDAY, FEB. 12
ALPINE SKIING, Hakuba — Men: Downhill, 9 a.m.; Combined (Downhill), 10 a.m.; Slalom, 10:30 a.m.; Super-G, 11:30 a.m.; Women: Downhill, 9 a.m.; Combined, 10:30 a.m.; Slalom, 11:30 a.m.; Super-G, 12:30 p.m.
CURLING, Karuizawa — Women: United States vs. Japan, 9 a.m.; Denmark vs. Norway, 9 a.m.; Sweden vs. Switzerland, 9 a.m.; Canada vs. Switzerland, 9 a.m.; Sweden vs. Canada, 9 a.m.; Japan vs. United States, 2 p.m.; Finland vs. United States, 2 p.m.; Norway vs. Canada, 2 p.m.; Denmark vs. Japan, 2 p.m.
FIGURE SKATING, Nagano — Men: Short program, 7 p.m.; Free skate, 8 p.m.; Women: Short program, 7 p.m.; Free skate, 8 p.m.
ICE HOCKEY, Nagano — Men: Austria vs. Japan, 9 a.m.; Italy vs. France, 4 p.m.; Sweden vs. Germany, 8 p.m.; Women: China vs. Sweden, 9 a.m.; United States vs. Japan, 9 a.m.; Finland vs. Canada, 8 p.m.
SPEED SKATING, Shiga — Halfmile preliminary, 9:30 a.m.; Halfmile final, 1:30 p.m.
WRESTLING, Karuizawa, Nagano — Men: 1500 freestyle, 3 p.m.

FRIDAY, FEB. 13
ALPINE SKIING, Hakuba — Men: Super-G, 10:30 a.m.; Slalom, 11:30 a.m.; Women: Slalom, 10:30 a.m.; Super-G, 11:30 a.m.; Combined, 12:30 p.m.
CURLING, Karuizawa — Women: United States vs. Japan, 9 a.m.; Denmark vs. Norway, 9 a.m.; Sweden vs. Switzerland, 9 a.m.; Canada vs. Switzerland, 9 a.m.; Sweden vs. Canada, 9 a.m.; Japan vs. United States, 2 p.m.; Finland vs. United States, 2 p.m.; Norway vs. Canada, 2 p.m.; Denmark vs. Japan, 2 p.m.
FIGURE SKATING, Nagano — Men: Short program, 7 p.m.; Free skate, 8 p.m.; Women: Short program, 7 p.m.; Free skate, 8 p.m.
ICE HOCKEY, Nagano — Men: United States vs. Sweden, 2:45 p.m.; Canada vs. Belarus, 4:45 p.m.; Finland vs. Czech Republic, 2:45 p.m.; Kazakhstan vs. Russia, 4:45 p.m.
LUGE, Nagano — Doubles, 2 p.m.; Singles, 3:30 p.m.; Individual, 3:30 p.m.
WRESTLING, Karuizawa, Nagano — Women: 500 freestyle, first round, 4:30 p.m.

ART BUCHWALD

Blowing Tax Smoke

WASHINGTON — One of the ways the president hopes to have a balanced budget is by putting a \$1.50 tax on cigarettes — as well as levying fines on tobacco companies to get the United States well.

If Clinton has his way, Americans will have to smoke one trillion, three hundred billion cigarettes just to break even.

The question arises as to how many Americans must continue smoking — or, worse still, go back to smoking — to balance the budget.

It has been the policy of this administration, as well as previous ones, to discourage the use of tobacco, particularly among teenagers.

But now the economic salvation of the country may need to take priority over poor health and misdemeanors.

In order to raise revenue from taxes, the government will have to kill all the no-smoking regulations in regard to public places.

The Marlboro Man might appear on dollar bills and 32-cent postage stamps. Joe Camel could show up

on White House billboards.

If the president hopes to accomplish his goal, he might get Chelsea to start smoking, and when he is seen publicly with Hillary he could light two cigarettes and hand one to her.

Secretary of State Madeleine Albright might light up a cigar during the State of the Union address, and sample packs of cigarettes would be handed out to our armed forces on land, sea and in the air.

Clinton does not necessarily have to come out for smoking. But he will send a message to the nation that the more they puff the larger the budget surplus will be.

It's obvious the tobacco companies are in a dither that their product was selected to give the United States financial security, but a government official said, "We had to tax either nicotine or arsenic."

The president of one of the largest tobacco companies said, "What is good for R.J. Reynolds is good for America. And this tax is no good."

But the budget office was elated. "It is a social thing," an OMB spokesman said. "For several years now people have looked on smokers as pariahs. Now when you see someone smoking on the sidewalk, you know he is doing it to pay for his mother's Social Security."

Four U.S. Newspapers Curb 'Doonesbury'

The Associated Press

KANSAS CITY, Missouri — At least four newspapers have refused to run "Doonesbury" cartoons about accusations that President Clinton had sex with a White House intern. Cartoonist Gary Trudeau's series shows a "scandal facilitator" talking with an elementary school class about the sex allegations.

"We didn't run it because I thought the language was offensive and inappropriate for the comics page," said Robert C. Gabordi, executive editor of The Herald-Dispatch of Huntington, West Virginia. Several other newspapers moved the panels from the comics to the editorial pages.

In the New Europe, Brecht Is an Icon Again

By Alan Riding
New York Times Service

BERLIN — When Bertolt Brecht returned here in 1948 from wartime exile in the United States, the legendary German playwright and stage director chose to live and work in East Berlin. He was not, in fact, a card-carrying Communist, but he described himself as Marxist.

And after his death in 1956 at the age of 58, his Berliner Ensemble theater company remained East Germany's principal cultural ambassador. With the unification of Germany in 1990, Brecht's name seemed irrevocably linked to a repressive regime and a failed ideology.

Yet now, with the 100th anniversary of his birth on Feb. 10, 1998, Brecht is being celebrated throughout Germany on a scale suggesting that his politics have already been forgiven. In addition to a speech honoring him by President Roman Herzog of Germany at the Berlin Academy of Arts, Brecht's birthplace in Augsburg has been turned into a museum, while his last residence in Berlin at Chausseestrasse 125 now contains his archives. Stamps have been issued, tours organized, a dozen new books on Brecht published and, across the country, his plays are being performed, accompanied by lectures, workshops and exhibitions.

At the ornate 19th-century Theater am Schiffbauerdamm, home to the Berliner Ensemble since 1954, five Brecht plays are currently in repertory, including Robert Wilson's production of "Flight Over the Ocean," the American director's first venture into Brecht.

On Monday night, the countdown to Brecht's birthday was accompanied by a lively concert of his songs, leading off with "The Ballad of Mack the Knife." Tuesday night, a performance of the 1930 play, "The Measures Taken," was followed by "Ger-

many Nine-Zero," a film by Jean-Luc Godard, the most Brechtian of movie directors.

Outside Germany, the return of Brecht is occurring more slowly, with many theater directors still put off by both his politics and his often pessimistic plays. New productions are nonetheless being presented, not only of the best-known plays written after he fled Hitler's Germany in 1933, like "Mother Courage and Her Children," "The Life of Galileo," "The Resistible Rise of Arturo Ui" and "The Caucasian Chalk Circle," but also of earlier works, among them "The Threepenny Opera" and "The Rise and Fall of Mahagonny," both with music by Kurt Weill.

If Brecht has not been forgotten, then, which Brecht is being remembered? At different times during — and after — his life, he was variously considered European theater's most important playwright, director and theorist. Yet in all three categories his views often changed, suggesting he was more empirical than dogmatic. Today, Germany has placed him alongside Schiller as an icon, but what is his relevance to theater?

Certainly his plays continue to be performed and studied, with his midlife works considered by some experts among the best epic plays written in Europe since the 17th century, although at least three of his mistresses probably deserved to share credit for them.

Brecht's stagecraft, which challenged Stanislavsky's realism by provoking what Brecht called an "alienation effect" to remind audiences they were in a theater watching a re-enactment, is also present in modern theater, opera, cinema and even advertising, albeit at times absorbed to the point that its provenance is not always apparent.

But what clearly fell out of fashion in the Reaganite and Thatcherite 1980s was Brecht's strong commitment to what he called "epic theater," to making audiences think before feeling, to the idea, in



From "Bertolt Brecht: A Biography," by Günther Kieser, Verlag, Munich. Centennial book: One of a series of 32 studies of Bertolt Brecht in Augsburg in the summer of 1927 by Konrad Ressler.

the words of the British playwright David Hare, "that plays have to be defined by people's social class and by power relationships and not simply by psychology." Or as Sir Richard Eyre, until recently artistic director of the Royal National Theatre in London, put it: "He taught people that they could take the theater seriously and that theater was a medium to talk about serious things."

Brecht's influence on British theater from the mid-1950s to the

mid-1970s was enormous, first through the impact of the Berliner Ensemble's early visits to London on theater technique, then through the way British directors came to interpret Shakespeare and other classics as sociopolitical dramas.

"Brecht is the key figure of our time, and all theater work today at some point starts or returns to his statements and achievement," the British director Peter Brook wrote in 1969. Hare, who has translated and adapted both "Mother Cour-

age" and "The Life of Galileo," said, "Only when his influence as a director began to wane did we begin to rediscover his plays."

While Brecht has now joined the classical repertory in Britain and elsewhere, rising unemployment and social disenchantment have made him more topical in France and Germany.

"In the 1960s, many French directors were politically engaged Brechtians, but they fell out of favor," said Stuart Seide, an American director who teaches at the National Conservatory of Dramatic Art in Paris. "But now the young are interested in a different Brecht, the early Brecht, the poetic Brecht, the Brecht before Marxism, the Brecht who had not found himself, who found the world to be a confusing place."

Stephane Braunschweig, a 33-year-old French director whose production of Brecht's "In the Jungle of the Cities" is drawing young audiences to the Theatre de la Colline in Paris, said he chose this early work because "it speaks more directly to my generation."

And he added: "People have an image of Brecht as serious and didactic theater, but his early work was pulsating, nervous, irreflexive, dynamic, almost surreal at times. I too want audiences to take a position, to react, to fight, so in this sense Brecht is natural material."

Holger Teschke, 39, the resident dramatist at the Berliner Ensemble, noted a similar phenomenon in Germany. "Young directors are doing early plays like 'St. Joan of the Stockyards,' which in the 1920s dealt with unemployment and the social crisis," he said. "These plays interest young directors more than the classics."

Among these young directors is Brecht's own granddaughter, Johanna Schall. "I think the later pieces are a bit intimidating because there is such tradition and orthodoxy," Braunschweig said. "Perhaps we have to pass through the early pieces to cast fresh light on the later pieces."

PEOPLE

A LONG-RUNNING feud between Zsa Zsa Gabor and Elke Sommer is back in court, this time over allegations that Sommer said, "All German men are pigs." Gabor's current and eighth husband, Frederick von Anhalt, is German. He claims Sommer made the offending comment in Los Angeles, and he complained about it three years ago on the German TV show "Goldmillion." Sommer — also German — denies saying it and has sued von Anhalt in the Bavarian state courts for a retrial. The case is the third second over mean-spirited comments. In 1993, a Los Angeles jury ordered Gabor and her husband to pay Sommer \$3.3 million in damages for describing her as a haggard Hollywood has-been. Why all the nastiness? Sommer claims it started because she once remarked that Gabor had a large backside. A preliminary hearing in Nuremberg was continued until March 24 so statements from American witnesses can be translated into German.

Queen Elizabeth II abruptly fired her hairdresser after three years of service, and this week the stylist lost a claim of unfair dismissal from his one-day-a-week job. Paul Burgess, who had been paid £100 (\$160) a week to travel from his salon in Cheltenham, southwest England, to Buckingham

Palace to do the queen's hair, was given his marching orders in July last year. The hairdresser told an industrial tribunal of his shock at being fired. He said: "I was shocked to be dismissed like that so quickly. All I could think was my replacement would not see how I would cut the queen's hair and this would cause problems."

Frank Sinatra remained in a Los Angeles hospital for a second day on Wednesday for what his spokesman and the hospital said were "non-emergency" tests. But the New York Post, quoting unidentified sources, reported that he had symptoms that might be consistent with the spread of bladder cancer. The 82-year-old singer was admitted to Cedars-Sinai Medical Center early Tuesday, nearly 13 months after he suffered a heart attack. He also spent a night there for a check-up on Jan. 24.

Tom Hanks and Tim Allen will rocket back onto the big screen as the starring voices in a sequel to "Toy Story." Allen does the voice of Buzz Lightyear and Hanks is Woody in the computer-animated movie about toys that come to life. "Toy Story" earned \$360 million worldwide.

'Seinfeld' Finale Ads

New York Times Service

NEW YORK — NBC is expected to charge a record price for commercial time during the final episode of the hit sitcom "Seinfeld" on March 14.

The finale of "Seinfeld" — long the linchpin of NBC's "Must-See TV" Thursday prime-time lineup — is expected to draw a Super Bowl-sized audience, perhaps in the range of the 133.4 million Americans who watched the football game last month.

USA Today reported last week that NBC was considering asking advertisers to pay "north of \$1.5 million" for 30-second commercials. That would be something like three times the \$575,000 that NBC has charged for a 30-second spot in a regular episode during the 1997-98 season. Such a price would far exceed the previous record for commercial time charged for a TV program: an average \$1.3 million for each 30-second spot during Super Bowl XXXII on Jan. 25, also broadcast by NBC.

Then on Monday, the trade publications Advertising Age, Adweek and Mediaweek reported that NBC was seeking \$1.7 million to \$2 million for a 30-second commercial on the "Seinfeld" finale.

Larry Hoffman, president for television network sales, said NBC had not begun setting prices for the 10 minutes of national commercial time to be sold during the finale.



WELCOME TO BERLIN — Director Jim Sheridan at the Berlin Film Festival, where his "The Boxer" was the opening film on Wednesday.

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